

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Paris, Wednesday, January 18, 1995

No. 34,801

Kobe Quake: A Nightmare Come True

Italian Right Vows to Keep Support From New Coalition

Move Could Torpedo Dini's Planned Cabinet; Berlusconi Wants Vote

By Celestine Bohlen
New York Times Service

ROME — As promised, Italy's new prime minister, Lamberto Dini, named a government of largely nonpartisan ministers with strong professional credentials on Tuesday, but its chances for survival quickly dimmed as the coalition headed by his predecessor, Silvio Berlusconi, vowed to withhold its support.

The attack from the right came after Mr. Berlusconi and his allies in the Freedom Alliance tried unsuccessfully to get members of their outgoing government into the new cabinet, arguing that they were entitled to representation on the basis of their victory in last March's national elections.

Mr. Dini, who had served as treasury minister in the Berlusconi government and, as such, had been expected to win his old ally's backing, said Tuesday night that he had stuck to the mandate he accepted last Friday from President Oscar Luigi Scalfaro, which was to appoint a cabinet of "technicians."

Noting that that mandate had been "agreed and not contested by anyone," Mr. Dini said it excluded the possibility of reappointing any of Mr. Berlusconi's ministers. But that argument was promptly rejected by members of the Freedom Alliance, casting doubt on whether Mr. Dini would even survive an initial confidence vote in Parliament.

Speaking to reporters late Tuesday, Mr. Berlusconi suggested possible new room for maneuvering, by saying he would support the Dini government if it pledged to hold early elections. "Scalfaro had made me a promise of elections by mid-June," Mr. Berlusconi said. "It doesn't seem to me that this government intends to respect this promise."

But Gianfranco Fini, head of the National Alliance, which is Mr. Berlusconi's major partner in the Freedom Alliance, was earlier more categorical in his rejection of Mr. Dini's government. "It is an attempt to sterilize the popular mandate," Mr. Fini said, "and it is unacceptable."

Mr. Dini said Tuesday night that he would present his government to Parliament next week, and while admitting to being disappointed by the Freedom Alliance's position, he said he was "confident in the parliamentary debate and in the vote of confidence. Absolutely."

The appointment last Friday of Mr. Dini, a former central banker with long experience at the International Monetary Fund, was greeted with a burst of confidence on Italy's financial markets, while the Italian lira — which had been dropping steadily during the political crisis that followed Mr. Berlusconi's resignation on Dec. 22 — scored a hefty comeback.

Two of Mr. Dini's ministerial nominees, one an economic adviser to Forza Italia and the other an adviser to the National Alliance, said Tuesday night that they were withdrawing their names from the list. The

See ITALY, Page 6



The Hanshin Expressway in Kobe toppled on its side from the quake. The epicenter was just outside the city's harbor.

'I Thought It Was the End of the World'

Compiled by Our Staff From Dispatches

KOBE, Japan — Residents fought fires with buckets of sewer water. Rescuers dug with their hands for survivors. And everywhere throughout this devastated city, survivors were stunned, exhausted and many were suddenly homeless.

"I lost my stepfather and stepmother," said Kiyoko Terada, a 53-year-old woman who made it to a cold, darkened community center that served as a shelter. "There was a bang, then the furniture, the ceiling, the wall — all seemed to fall at the

same time. I looked up and saw the sky. The entire second floor of our house just fell to the ground."

"I thought it was the end of the world," said Minoru Takami, 64, whose house fell down around him in Nishinomiya, a Kobe suburb.

The night sky glowed red as black after block of wooden homes went up in flames fueled by ruptured gas lines.

Prime Minister Tomiichi Murayama ordered troops into Kobe to help residents battling blazes. But fire-fighting reinforce-

ments from as far away as Tokyo were trapped in long lines of traffic and unable to get to the area.

Noburo Asai, who lives on Port Island off Kobe, said: "Some of the fires appear to be going out. I'm afraid it's because they ran out of things to burn, not because they were put out."

About 100,000 people were left homeless by the earthquake and the aftershocks and fires that followed it. Dazed survivors

See KOBE, Page 6

At Least 1,800 Killed, 8,000 Buildings Fall

By T. R. Reid

Washington Post Service

KOBE, Japan — Tall pillars of flame illuminated the night sky over this major port city early Wednesday, as emergency workers battled scores of fires in the aftermath of the ferocious earthquake that killed more than 1,800 people and destroyed thousands of buildings.

The death toll from the first tremor that struck before dawn Tuesday and a long series of aftershocks could go above 2,000, Kobe officials said, as rescue teams continued to find bodies under the rubble of more than 8,000 houses, buildings and other structures that were demolished.

More than 100,000 people spent the night Tuesday in temporary housing in schools and public buildings.

The national police said that 1,800 people were known dead, 966 were missing and 6,334 were injured. The tolls were expected to rise as communications were restored.

[The government ordered a central area of Kobe evacuated early Wednesday amid fears of a liquefied petroleum gas explosion. Agence France-Presse reported from Kobe.]

[The order was issued by Mayor Kazutoshi Sasayama about an hour before dawn. It was not immediately clear how many people were affected, but the evacuation order applied to the largely industrial Higashinada district, about 5 kilometers (3 miles) from the city center.]

The earthquake was the most lethal one in this land since 1948, when a quake of 7.1 magnitude on the open-ended Richter scale killed about 3,700 people in Fukui Prefecture, north of Osaka.

The earthquake Tuesday, with a magnitude of 7.2, struck at 5:46 A.M. The epicenter was on the island of Awajishima, just outside Kobe Harbor in the Inland Sea. But that open, rural island reported relatively minor damage.

Quakes of this magnitude often trigger tsunami, or tidal waves, which can be as destructive as the quakes themselves. There were no tsunami Wednesday, per-

haps because the Inland Sea is almost surrounded by land.

The major destruction and loss of life occurred in the urban center of Kobe, a city of about 1.5 million and the chief port of Japan's industrial heartland that is roughly at the center of Honshu, the largest Japanese island. The first tremor, which lasted about 20 seconds, collapsed roads, knocked trains off their tracks, wrecked docks and severed communications.

The considerably larger city of Osaka, a major financial center that borders Kobe

On Page 3

Tokyo appears to be able to pay for the damages without destabilizing markets.

Japan's economy is likely to get a small boost as the government invests to rebuild. Seismologists warned that more powerful jolts could be on the way.

to the east, suffered less damage. Two ancient capitals of Japan, Kyoto and Nara, both nearby and both home to many antique structures and artistic treasures, were shaken as well, and some cultural monuments were damaged.

The quake was barely felt in Tokyo, 450 kilometers to the east.

In Kobe, fires evidently caused by broken gas lines continued to rage in the brisk night winds nearly 24 hours after the quake hit. With water lines broken in many areas of the city, fire fighters were handicapped in their efforts to douse the flames.

By the light of the wind-driven fires, rescue workers could be seen digging through rubble that had once been homes. At one home, a rescue team reported hearing a child's voice shouting, "Over here! Help!" But the voice gave out before workers could dig through the collapsed roof.

Like many Japanese cities, Kobe has large residential districts made up of relatively weak wooden homes with heavy tile

See QUAKE, Page 6

Amid Ruins, Japanese Ask: Where Did We Go Wrong?

By Steven Brull

International Herald Tribune

TOKYO — For a people who thrive on anxiety, the Japanese have long been strangely cool-headed about the consequences of a major earthquake. The attitude was one part denial and one part confidence that careful construction methods and annual prevention drills had made the nation fully prepared.

Yet the earthquake Tuesday, centered near Kobe in western Japan, caused death and destruction far beyond expectations and shook the nation into a somber post-mortem analysis of what went wrong.

As they narrated scenes of collapsed highways, raging fires and severed tracks of bullet trains, experts interviewed on television Tuesday night listed the tectonic factors that generated the 7.2 magnitude earthquake and the oversights in construction and preparedness that led to damage that is very likely to soar into the tens of billions of dollars.

The rising death toll is a sobering reminder that quakes threaten the entire

Japanese archipelago, particularly the capital, Tokyo, home to more than 11 million people and the source of 7 percent of the world's gross national product.

Exactly one year ago, when an earthquake of similar magnitude struck near Los Angeles, searing the world with images of collapsed highways, Japanese engineers boasted that the same thing would not happen here. Buildings in Japan, they argued, were simply better engineered and constructed.

But these same experts were reassessing their views Tuesday.

"I still believe that if we compare similar structures here and on the West Coast of the United States, our situation is better," said Tsuneo Katayama, a professor of earthquake disaster mitigation engineering at Tokyo University. "But now we have to admit that we have structures weak enough to be damaged by a moderate earthquake if it occurs directly below an urban area."

To Robert Geller, an American who is an associate professor of geophysics at Tokyo University, the damage was a warning that Japanese attitudes about earthquakes are too lax.

"Today's quake shows that people in Japan have been overly complacent about how well prepared they've been," he said. "Ordinary people have been sneering at the level in the U.S., but things are roughly comparable. A reassessment is in order."

The cocky attitude, Mr. Geller says, has led the country to squander more than 100 billion yen (\$1 billion) since 1965 on an earthquake prediction program that has no basis in science. The vast majority of the world's seismologists believe that it is impossible to predict earthquakes in the near-term, a view to which many Japanese scientists adhere.

See TOLL, Page 6

Singapore Fines IHT and Professor

The Associated Press

SINGAPORE — Five defendants, including an American professor and executives of the International Herald Tribune, were found guilty Tuesday and fined for an opinion-page article that a court here found insulting to Singapore's judiciary.

Justice Goh Joon Seng of the High Court fined the author of the article, Christopher Lingle, 10,000 Singapore dollars (\$6,900). A former senior fellow in European studies at the National University in Singapore, Mr. Lingle has since left the country.

Michael Richardson, the newspaper's Singapore-based editor for Asia, was fined 5,000 Singapore dollars, and Richard McClean, the publisher of the IHT, was fined 2,500 Singapore dollars. The local distributor, International Herald Tribune (Singapore), and the paper's printer, Singapore Press Holdings, were each fined 1,500 Singapore dollars. (Page 2)

Kiosk

'Suspicious' Devices Mar Clinton Visit

NORTHRIDGE, California (Reuters) — Three "suspicious" items resembling pipe bombs were found Tuesday near a university that President Bill Clinton was to visit, forcing him to cancel his tour.

The White House press secretary, Mike McCurry, said that Secret Service agents "were doing a routine sweep and found suspicious materials" at a construction site next to California State University at Northridge that Mr. Clinton had planned to inspect.

The spokesman for the Secret Service, Curtis Eldridge, said in Washington that the devices did not appear to be real bombs but that Secret Service agents steered Mr. Clinton away from the area as a precaution.

General News

The U.S. Supreme Court will reconsider race-based preferences. Page 7.

Book Review Page 8.

Classified Advertising Page 17.

Moscow and Chechens Discuss Cease-Fire

By Margaret Shapiro

Washington Post Service

MOSCOW — Prime Minister Viktor S. Chernomyrdin of Russia and a delegation of Chechen officials met Tuesday for exploratory peace talks that the delegation said could soon lead to a cease-fire in the war in Russia's south.

The Chechen prosecutor-general, Usman Imaev, said at a news conference after the surprise meeting that the talks had ended successfully enough that "it is possible to speak of ceasing fire as of tomorrow evening."

The reports of a potential cease-fire

were treated very cautiously here. Other cease-fire attempts to end the five-week-old war in the separatist southern republic have foundered even before they went into effect.

In this case, it was far from clear that the

U.S. warns of aid cuts if Russia keeps up the war in Chechnya. Page 2.

Chechen officials could speak for the Chechen leader, Dzhokhar Dudayev, or whether they had any control over their combatants, many of whom have sworn to fight to the death.

Members of the Chechen delegation said the delegation would return on Wednesday to Grozny, the capital of Chechnya and scene of devastating battles, and present the proposal to Mr. Dudayev.

It was also unclear whether Mr. Chernomyrdin, who seems to be staking out a dovish position for himself in the internal Kremlin debate over Chechnya, could speak for the Russian government.

Mr. Chernomyrdin went on television on Monday night to urge a cease-fire, this time without the usual Russian condition

See RUSSIA, Page 6

Derring-Do: How Poles Spirited Americans Out of Iraq

By John Pomfret

Washington Post Service

WARSAW — On a stretch of highway one chilly autumn evening in the mountains of northern Iraq in 1990, a Polish intelligence officer pulled four bottles of Johnnie Walker Red out of a satchel and passed them to six new friends from the United States.

Drink, came the command. Although they had not had a bite to eat all day, the Americans, all serving intelligence officers, obeyed the order and downed the whiskey in silence, emitting an occasional grimace and sigh. The booze was meant to help camouflage the Americans as drunken Eastern Europeans, but it had no effect.

Perhaps it was their training, or maybe nerves, but it was stone cold sober that the six agents and their Polish chaperons reached the border crossing between Iraq and Turkey at sunset.

The whiskey-soaked ride was the culmination of one of

the most remarkable clandestine operations of the Gulf War, after Iraq's invasion of Kuwait in August 1990. Less than a year after the fall of the Berlin Wall, Polish intelligence agents trained to serve the Warsaw Pact smuggled six American intelligence officers out of Iraq, eluding Saddam Hussein's pervasive and ruthless internal intelligence apparatus.

The escape came after the six agents had spent weeks on the run in Kuwait and Baghdad while White House and CIA officials desperately searched for a way to save them. Eventually, they turned to the Poles, who had ties throughout Iraq because of construction work carried out there by Polish engineering companies.

With the help of a senior spy flown in from Warsaw, the agents were given refuge at a Polish construction camp. And in the end, a civilian Polish technician with a knack for improvisation stumbled on a way to get them out.

The daring exploit, masterminded by a man who for 20

years had battled the Central Intelligence Agency as a Warsaw Pact spy, was one of three covert Polish actions during the Gulf War that aided the allied war effort, according to Polish and American sources.

Using skills and knowledge acquired during their late autumn escape, the Poles carried to freedom 15 other foreigners, mostly Britons, held hostage by the Iraqis as part of Mr. Saddam's "human shield" campaign to deter an allied invasion.

Polish agents, mining information from Poland's substantial construction business in Iraq, also provided the United States with detailed maps of Baghdad and particulars about military installations scattered throughout Iraq, as has previously been reported in the Polish press.

"It was high-risk," said William Webster, who directed the CIA at the time and traveled to Poland in early November 1990 to commend the Polish government for

See SPIES, Page 6

Dow Jones	Trials Index
Down 1.68	Down 0.46%
3930.66	111.47

The Dollar	Time close	previous close
DM	1.5328	1.5313
Pound	1.5685	1.5685
Yen	99.105	98.39
FF	5.298	5.2925

Newsstand Prices		
Andorra.....9.00 FF	Luxembourg 60 L	Fr
Antilles.....11.20 FF	Morocco.....12 Dh	
Cameroun.....1.400 CFA	Qatar.....8.00 Riels	
Egypt.....E.P. 5000	Reunion.....11.20 FF	
France.....9.00 FF	Saudi Arabia 9.00 R.	
Gabon.....960 CFA	Senegal.....960 CFA	
Greece.....350 Dr.	Spain.....225 PTAS	
Italy.....2,400 Lire	Tunisia.....1,000 Din	
Ivory Coast 1.120 CFA	Turkey.....T.L. 45,000	
Jordan.....1 JD	U.A.E.....8.50 Dirh	
Lebanon.....U.S.S. 1.50	U.S. Mil. (Eur.) \$1.10	

U.S. Warns of Aid Cuts if Russia Keeps Up Chechen War

By William Drozdiak

Washington Post Service

GENEVA — Secretary of State Warren M. Christopher warned Tuesday that unless Russia halts the bloodshed in Chechnya soon, the continuing war will have "unfavorable consequences" for Moscow that could lead to cuts in American aid.

Mr. Christopher, who arrived here Tuesday morning for two days of discussions with his Russian counterpart, Andrei V. Kozyrev, indicated that the United States was holding in abeyance any decision about a U.S.-Russian summit meeting and making it dependent on how Moscow moved to resolve the secessionist conflict.

"It's an awful and tragic episode and it grows more so," Mr. Christopher said before meeting Mr. Kozyrev for a private dinner. "The Russian leadership knows they have a problem."

As public outrage in Western countries has

grown over the brutality of the Russian attempt to suppress Chechnya's three-year campaign for independence, U.S. and European governments have escalated their criticism and now appear on the verge of taking punitive measures to register their dismay over Russia's behavior.

But Mr. Kozyrev said upon his arrival here Monday night that the Russian government considered the conflict an internal affair and that he would rebut any criticism from Mr. Christopher with questions of his own about American domestic problems.

Russia's bloody attempt to suppress the Chechen separatists has overshadowed the original purpose of the Christopher-Kozyrev encounter, which was supposed to review the parameters of U.S.-Russian relations and try to achieve greater harmony on a broad range of issues, such as Bosnia, Iraq, North Korea and the future structure of European security.

U.S. officials had hoped the Geneva meeting

would help neutralize Russia's opposition to the expansion of the North Atlantic Treaty Organization and get relations back on a more positive track.

But the mounting death toll and flagrant violations of human rights in the Chechnya war have provoked alarm in Western capitals about the course of Russian democracy.

In particular, U.S. and European governments are concerned that President Boris N. Yeltsin may have abandoned the path of reform, that he may have surrendered to nationalist or authoritarian impulses and that the country's fragile institutions may be on the verge of collapse.

Mr. Christopher said that Moscow's international standing had been "seriously hurt" by the war and that he hoped for a future partnership with the West had been placed in jeopardy.

He said he would tell Mr. Kozyrev that it was in Russia's own interest to stop the fighting, seek reconciliation with the Chechens, take into ac-

count their views about independence and provide humanitarian relief.

Asked if Russia's failure to take urgent steps to halt the fighting would lead to cuts in American aid, he said it was "only realistic" to conclude that "if the tragedy and bloodshed continues, it will inevitably have consequences in American public opinion and in the Congress that are bound to be unfavorable."

The Russian government has proposed that President Bill Clinton fly to Moscow in May to hold a summit meeting with Mr. Yeltsin on the occasion of the 50th anniversary of the end of World War II.

The celebration of the Moscow-Washington alliance that led to the defeat of Nazi Germany holds immense symbolic importance for the Russians.

But Mr. Christopher said that the "timing and circumstances" of a summit meeting would depend on such events as the fighting in Chechnya.

WORLD BRIEFS

Nuclear Talks Open in North Korea

SEOUL (AP) — U.S. officials began talks in North Korea Tuesday on long-term storage of Pyongyang's spent nuclear fuel rods, the communist state's official media reported.

The talks, which will continue through Saturday, are to determine the fate of some 8,000 spent fuel rods removed from an experimental reactor. The aim is to keep the North from extracting material from them that can be used to make nuclear weapons.

The official press agency, KCNA, gave no further details except that the U.S. delegation arrived in Pyongyang for the second round of expert talks under an Oct. 21 nuclear agreement between the United States and North Korea. The first round of talks took place in November. The South Korean news agency Yonhap, in a report from Washington, said the U.S. officials will provide technical advice to North Korea on how to store the rods safely.

Israel Reneges on Settlements Pledge

JERUSALEM (AP) — More than 2,000 housing starts were approved in Jewish settlements in the occupied West Bank last year despite a government promise to the United States to stop most building, according to a study released Tuesday.

The total number of homes now under construction in settlements is about 4,000, the Contractors Association said Tuesday. According to a Housing Ministry report leaked to the Israeli media, the government plans to accelerate the pace of building this year.

The building drive, with an emphasis on Jerusalem satellite settlements, appears to be part of a last-minute expansion in the West Bank before Israel and the Palestinians begin negotiations on the final status of the disputed lands next year. Palestinian leaders and Israeli liberals warned Tuesday that the government could severely damage autonomy negotiations.

Deng 'Generally' Healthy, China Says

BEIJING (AP) — The Chinese government sought Tuesday to dampen speculation over the health of its paramount leader, Deng Xiaoping, 90.

In the first official reaction since Mr. Deng's youngest daughter said last week that his condition was deteriorating daily, a Foreign Ministry spokesman said he was "generally" healthy. "As far as we know," the spokesman said, "for an old man in his 90s, Comrade Deng Xiaoping is generally speaking in good health."

In a New York Times interview, Mr. Deng's daughter, Deng Rong, revealed for the first time that her father was unable to stand or walk without support, fueling speculation that he was approaching death.

Camps for Rwandans Will Be Moved

KIGALI, Rwanda (Reuters) — Camps in Tanzania and Zaire for up to 1.5 million Rwandan refugees are to be moved more than 30 kilometers (30 miles) away from the borders of Rwanda, a United Nations envoy said on Tuesday.

The special envoy of the UN High Commissioner for Refugees, Carroll Fautbert, did not say when the Rwandans would be moved, but aid workers said they expected it would be later this year.

They said the move would be intended in part to increase security in Rwanda by making it more difficult for militiamen based among the refugees to launch cross-border raids. Relief agencies also hope that the greater distance from Rwanda will encourage more refugees to return to their homeland.

Lang Open to French Presidency Run

PARIS (Reuters) — Former Culture Minister Jack Lang announced Tuesday that he was ready to run in France's presidential election unless a better contender emerged to unite the Left.

Mr. Lang, a close associate of President François Mitterrand and the best-placed champion of the Left in opinion polls, was the second Socialist politician to step forward, after former Education Minister Lionel Jospin. But opinion polls show that the conservative prime minister, Edouard Balladur, has a wide lead over all potential rivals and would easily crush any Socialist candidate.

"I am prepared to run for president of the republic unless someone else embodies better than I do our ideals of unity and enthusiasm, a personality who can move mountains," Mr. Lang said, adding, "Let those who believe in us cease despairing."

TRAVEL UPDATE

Some Cars Scrape on Channel Trains

LONDON (AP) — About 100 cars with low ground clearance have been damaged driving onto "Le Shuttle" trains, where they scraped metal equipment between the train cars, according to a spokeswoman for the operating company, Eurotunnel.

This is just a fraction of the 90,000 cars that the tunnel has carried between Folkestone, England, and Calais, France, since opening last year, the spokeswoman, Jane Bowles, said Tuesday. Most of the damage has been minor, she said. "There are 25 significant problems, exhausts ripped out or even bigger problems than that," she added.

As a short-term solution, Eurotunnel has devised a small hurdle for cars to drive over before they board the shuttle trains. Any vehicle that lacks the required clearance of 10 centimeters (4 inches) is put in the last train car and driven in reverse as it exits.

Passengers traveling between seven European countries will soon use magnetic cards rather than show passports at Amsterdam's Schiphol Airport. Starting March 26, the cards will be issued during check-in and on arriving aircraft. They will allow passage through turnstiles. The procedure is temporary, until construction changes required under the so-called Schengen Treaty are completed. (Bloomberg)

Belgium's national railroad inaugurated a quicker link with Paris on Tuesday as a high-speed TGV train left the Brussels South Station with reporters aboard. Regular service is to start on Monday. (Reuters)

American Airlines said it would terminate service between London and Philadelphia, and increase daily flights between New York and London to seven in each direction, up from five. (AP)

Santer Puts Out A Potential Fire

By Tom Buhrle

International Herald Tribune

STRASBOURG, France — Jacques Santer defused a potential political crisis and ensured the approval of the European Union's executive body Tuesday by promising to work closely with the European Parliament "to serve the citizens and peoples of Europe."

With a politically astute, if uninspired, address to Parliament that reached out to EU supporters and skeptics alike, the Luxembourg prime minister acknowledged the deep divisions that led to his selection as a second-choice successor for Jacques Delors as president of the European Commission.

Mr. Santer promised to lead the EU toward a single currency by the end of the decade and to rebuild Europe's competitiveness. He also pledged, in a thinly veiled criticism of Prime Minister John Major, to try to end Britain's exemption from EU social legislation and to prevent any more weakening of other EU policies.

But Mr. Santer also bowed to growing demands from national capitals for a more limited, practical EU agenda. He vowed to fight fraud over EU subsidies and to limit commission initiatives to areas where they were needed.

"We should take as our motto, 'Less action but better action,'" he said.

Leaders of Parliament's three largest blocs, the Socialists, the Christian Democrats and the Liberals, said the performance was impressive enough to merit approval for a five-year term when the chamber votes

Wednesday on Mr. Santer and his 19 proposed fellow commissioners. If approved, they are to take office on Tuesday.

"Even though Mr. Santer did not wear the cloak of Demosthenes, he has made some important gestures," said Gijb de Vries, leader of the Liberals. "Now it is the time for Parliament to respond."

Mr. Santer's key gesture was his commitment to lead a European Commission panel on equal opportunity following criticism from women in Parliament of Ireland's returning commissioner, Padraig Flynn.

Mr. Santer also promised to devote special attention to human rights and Third World development and to negotiate on increasing Parliament's influence in the EU legislative process, where the commission and member states play the leading role.

Mr. Santer's presentation was overshadowed by an appearance by France's president, François Mitterrand, who turned a ritual presentation of his nation's objectives for its six-month EU presidency into an emotional farewell address.

In an often unscripted, hour-long speech, Mr. Mitterrand, 74, who has cancer and who leaves office in May, recalled his experience as a prisoner of war in Nazi Germany and urged the next generation of leaders to banish past prejudices through deeper EU integration.

"If we don't overcome that history, then we must realize that one rule will take over — nationalism and war," Mr. Mitterrand, a Socialist, said.



Jacques Santer, left, with several prospective commission members Tuesday at the European Parliament in Strasbourg.

Paris Now Urges Algiers to Talk With Militants

By Youssef M. Ibrahim

New York Times Service

PARIS — France appears to have nudged the Algerian military government, which it has consistently supported, to engage the militant Islamic opposition in a peaceful discussion on ending the three-year civil war.

A statement Monday from France's Foreign Ministry called upon "all actors in Algerian political life" to follow up on proposals advanced last week in Rome by eight Algerian opposition parties as a way out of the conflict that has taken 30,000 lives. The fighting began after the Algerian government

canceled parliamentary elections that the Islamic movement had been expected to win.

France appeared noncommittal last week about the Rome conference, saying only that a peaceful solution to the conflict in Algeria was desirable. France has so far supported the Algerian government's policy of "total eradication" of the groups carrying out the violence.

Italy, Germany, Spain and the United States supported the proposals of the Rome meeting, which included representatives of the Islamic Salvation Front, the main Muslim opposition group in Algeria.

The nuances of the French position are closely watched by Algeria, a former colony whose government continues to depend on France for financial and political support as well as military aid in fighting the fundamentalist insurrection.

The French position has been hotly debated within the conservative government of Prime Minister Edouard Balladur. The statement Monday is very likely to temper the Algerian government's harsh reaction to the Rome meeting.

The Algerian groups at that meeting called for a cease-fire preceded by the release of

10,000 political prisoners, most of them allied with the Islamic Salvation Front. They also proposed forming a transitional national unity government to prepare new elections.

The Algerian government rejected the proposals. France's statement on Monday emphasized that all parties in the Algerian political arena, including Muslim militants, must play a role in ending the conflict.

While it stopped short of mentioning the Islamic Front by name, it indicates a change in the French attitude that the Muslim movement was advocating violent solutions.

Ireland, Nation of Pubs, Debates Stiffer Drunken Driving Law

By James F. Clarity

New York Times Service

GLENCULLEN, Ireland — The Irish, often stereotyped as a nation of alcohol-fueled tipsy paddies, are engaged in a nationwide debate over the blessing of drink versus the curse of driving home and being nailed by police officers enforcing the tough new drunken driving law.

The emotional dialogue is filling newspapers, television screens, living rooms and, of course, most of the country's 10,200 pubs.

The new law, in effect since early last month, limits the legal amount of alcohol in a driver's blood to 80 milligrams per 100 milliliters of blood, bringing it close to European averages. Before, the limit was 100 milligrams.

The penalties are tougher under the new law. A person caught driving in violation of the law is subject to a \$1,500 fine, prohibited from driving for two years and compelled to retake a driving test.

The law's supporters point out that it will save lives, but opponents say the law is a draconian intrusion into every Irishman's traditional right to "have a drop taken," as they say here, particularly in pubs, the center of social life in much of Ireland.

"In rural Ireland, most things revolve around the pub and local post offices, and that's the way we've socialized for the last 500 years," said Tony McMahon, the owner of Fox's Pub, a large traditional drinking place in the mountains 12 miles southeast of Dublin.

Mr. McMahon and his wife, Geraldine, estimate that they have lost 20 percent of their business because of the law. He contended that "social life has come to a standstill in rural areas" like Glencullen, where Fox's sits on a mountainside.

Mrs. McMahon spoke bitterly of the man who was minister of environment when the law was passed, saying that if he "had even a lick of intelligence he would know that speed is what kills people, not a few drinks."

"If they did with speeding laws what they did with drinks, they would save more lives," she said.

The government takes about \$1.5 billion a year in alcohol taxes, and opponents of the new law contend that it will mean lost revenue and lost employment for those who make and sell alcoholic drinks in Ireland.

But supporters say that the lower limits are already saving lives, and government officials,

who supported the law because they felt it was the right thing to do, say they will not back down on the new limits.

The Reverend Bernard McGuckian, a Jesuit who is director of the Pioneer Total Abstinence Association, reflects the government's view. "When people were on horseback and donkeys, there wasn't the same need for care on the roads," he said in an interview in his office in Dublin. "Now we're bringing ourselves into line with Europe."

Although the pub is often at the center of social life in Ireland, statistics contradict the stereotype of the Irish as heavy drinkers. Father McGuckian said a 1994 survey by his organization indicated that 33 percent of the population were teetotalers. European Union figures for 1991 indicate that the Irish consume the equivalent of about 2.3 gallons of pure alcohol a year, lower than in all member countries except Britain and approximately the same as in the United States.

But alcoholism here is a serious problem, with consumption rising among women and teenagers, producing some 150,000 alcoholics in a population of 3.5 million.

The argument about the new law is raging in

the pages of the nation's highly respected daily, the Irish Times. One columnist who opposes the new limit, Nuala O'Faolain, wrote that "going to the pub is an assertion of personal autonomy, and part of that is leaving the pub when you want to."

But Michael Finlan, the paper's correspondent in largely rural western Ireland, wrote: "The new drink-driving law, which has brought Ireland's booze levels into line with safer standards, has spawned a lot of silly talk about the social fabric of rural Ireland being torn apart for want of just one more drink for the road." An Irish Times editorial referred to "doubtful arguments about the life style of rural-dwellers."

Generally, Ireland's political leaders over the years have set a good example on drinking, but through the serious debate there is room for amusing stories about famous drinkers.

Perhaps Dublin's favorite drinking-at-the-wheel story is told about a former prime minister, who was stopped by a police officer for going the wrong way on a one-way street.

"Didn't you see the arrows?" said the police officer. "Arrows?" said the prime minister. "I didn't even see the Indians!"

Singapore Court Fines IHT and American Professor

Reuters

SINGAPORE — A Singapore court fined an American professor and officials of the International Herald Tribune on Tuesday after finding them guilty of contempt for a published article.

High Court Justice Goh Joon Seng announced the fines in a contempt case about an opinion-page article published on Oct. 7 in the IHT that criticized unidentified Asian judiciaries.

"I find all five respondents guilty of contempt by way of scandalizing the Singapore judiciary," he told the court.

Justice Goh said he had "no doubt" the offending passage "referred to, and was intended by [its author] Christopher Lingle to refer to Singapore."

Mr. Lingle, a former teacher at the National University of Singapore who quit his job and returned to the United States last October, did not return to face charges and was fined 10,000 Singapore dollars (\$6,900).

Michael Richardson, the IHT's Asia editor who edited the article, was fined 5,000 Singapore dollars. Richard McClean, the newspaper's Paris-based publisher, was fined 2,500 Singapore dollars. The local distributor, International Herald Tribune (Singapore), and the printer, Singapore Press Holdings, were each fined 1,500 Singapore dollars.

The five defendants were also ordered to pay costs.

At issue was Mr. Lingle's reference to "intolerant regimes in the region," some of which, he wrote, relied "upon a compliant judiciary to bankrupt opposition politicians," according to testimony read aloud in court.

Government prosecutors said that was a slur aimed at Singapore, whose ruling party politicians are well known for suing opposition figures for defamation.

"The court has found that part of the criticisms could be

taken to refer to Singapore and that, so taken, it attacks the integrity of the Singapore judiciary, something that the paper never meant to do," Mr. McClean told reporters after the verdict.

"The International Herald Tribune, as the leading international newspaper, sees the publication of opinion pieces reflecting all points of view as an important part of its role," he said, "but it recognizes that it has to have regard to the laws of the country in which it circulates."

The verdict was delivered after Singapore's attorney general, Chan Sek Keong, asked for "deterrent" fines in his final statement.

The attorney general said the case was never about free speech or intimidation, but about protecting the reputation of the city state's judiciary.

"This case has been reported as the action taken by me to suppress freedom of speech," Mr. Chan said.

"Lingle sees it as an attempt to intimidate him," the attorney general continued. "It is nothing of the kind. He has simply committed contempt of court

by alleging the Singapore judiciary is compliant."

He said fines in other Singapore media contempt cases since 1975 — which ranged from 1,000 Singapore dollars to 6,000 Singapore dollars — were "completely unrealistic."

"Nothing seems to deter certain people from disparaging the court," Mr. Chan said. "Any fine should be a deterrent fine."

In Singapore's most recent contempt case against the media, in 1991, the editor of the Asian Wall Street Journal was fined 4,000 Singapore dollars, the proprietors 4,000 Singapore dollars and the publisher 1,000 Singapore dollars. The printer and distributor escaped fines but had to pay costs.

Mr. Chan urged that the printer and distributor in the IHT case be fined. "They know the business that they're in," he said.

He rejected Mr. Richardson's defense that he assumed Mr. Lingle was writing about China. "Mr. Richardson's explanation is an Alice in Wonderland explanation of why he believed the passage only referred to China, not Singapore," he said.

Catholicism's Burst of Beatification

In Papua New Guinea, Pope Blesses Layman to Bolster Faith

By Alan Cowell

New York Times Service

PORT MORESBY, Papua New Guinea — The Pope and his prelates were red to denote the blood of martyrs. The warriors wore paint and feathers to show respect for the dead.

And between them they blessed the bones of Peter To Rot, a martyr in these Melanesian parts, in a rite that has become one of the most distinctive of John Paul II's papacy.

Since his election in 1978, the Pope has turned the acts of beatification — the precursor in Roman Catholic belief to sainthood — and canonization itself into among one of the most important ways of attempting to convince people that faith in Rome indeed has its reward in heaven.

From 1903 to 1978, seven successive Popes performed 79 beatifications and 98 canonizations.

Since 1978, John Paul II has beatified 607 — including Peter To Rot, who was killed by the Japanese during World War II rather than renounce his faith — and canonized 268 saints.

In this land, where missionaries introduced Christianity only 100 years ago, and where Catholicism is challenged by

Protestant denominations, the point is clear: The blessed and the saints are the role models for the Catholic souls the Pope is seeking to harvest.

"It is my desire and purpose," he said, "to strengthen the Christian faithful of this country as they bear witness to Jesus Christ, and to encourage them to remain ever steadfast in the Gospel which they received through the preaching of missionaries."

Most significantly, though, he sought to show Mr. To Rot as an example not of priestly celibacy but of a layman and catechist whose example of faith "will become a source of inspiration throughout the church for all who work in the lay apostolate."

At a time when the issue of priestly vocations in the Third World and elsewhere is beset by opposition to celibacy, the notion of elevating laypeople to the ranks of the blessed has a particular significance for Catholic efforts to spread the faith, often through the efforts of lay teachers.

And so, as rain and clouds from the Coral Sea shrouded Port Moresby's low hills, the Pope presided over the ceremony of beatification, with Melanesian

dancers in traditional warrior attire accompanying him and the bones of Mr. To Rot borne aloft as relics encased in a small casket on a bed of purple bougainvillea.

The blend of a ceremony devised in Europe and the totems of earlier beliefs betokened what some missionaries here depict as the sometimes uneasy coexistence of Christianity with the magic and spells of the animist beliefs that preceded it.

The ceremony in Port Moresby's Sports Ground had only one hitch that the Pope did not see: A Filipino businessman living here was detained for two hours after approaching the grounds, the police said, with a loaded pistol that the 40-year-old was licensed to carry for his own protection.

Initially, the police described his presence as a "serious threat" against the Pope.

But Assistant Commissioner Phillip Taku later said the man had told interrogators that he brought the weapon because he thought it dangerous to leave it unattended at home.

The police released him without filing charges but kept the 9mm pistol.

UNIVERSITY DEGREE
BACHELOR'S • MASTER'S • DOCTORATE
For Work Life and Academic Experience
Through Correspondence Home Study
(510) 471-0306 ext. 23
Fax: (510) 471-6456
Free or send detailed resume for
EVALUATION
Pacific Western University
1210 Avenue Street, 1104, Dept. 22
Honolulu, HI 96814

KOBE QUAKE / DAY AFTER AFTERMATH

With Japan Able to Cover Cost, Markets Stay Steady Fears of a Massive Bond Sell-Off Recede

By Carl Gewirtz
International Herald Tribune

PARIS — The Japanese appear to be able to pay for the damages from Tuesday's earthquake without destabilizing world financial markets, analysts report.

For years, experts have worried that one day Japanese investors would be obliged to sell some of the tens of trillions of yen's worth of foreign bonds and stocks they own to finance the cost of earthquake repairs.

The potential for destabilizing world financial markets results from the heavy investments, mostly in bonds, that Japanese institutional investors have poured into foreign markets — not least as a means to insure themselves against the impact of a devastating earthquake at home. In recent years, heavy purchases have made the Japanese the largest single group of buyers of foreign securities.

Traders attributed some weakness in U.S. bond prices in early European trading to fears about possible selling from Japan. Subsequently, bond prices eased in New York, but traders said that this was mostly in reaction to U.S. economic data indicating that the Federal Reserve Board will have to continue

increasing short-term interest rates.

The yen was little changed as traders were unsure whether even a moderate repatriation of cash from the sale of foreign securities might not cause the yen to move up.

Stock prices in Tokyo declined 0.46 percent, to close at 19,241.31, down 89.85 points.

Analysts said big increases in the shares of construction companies offset losses registered by the big insurance companies.

Although analysts insist that it is still too early to estimate the extent of the damage and the likely repair cost, they report that initial indications are that the severe earthquake was not such a blow as to be catastrophic.

Brendan Brown, London-based analyst at Mitsubishi Finance International, estimated that a catastrophic event "would knock out 10 to 20 percent of the nation's productive capacity."

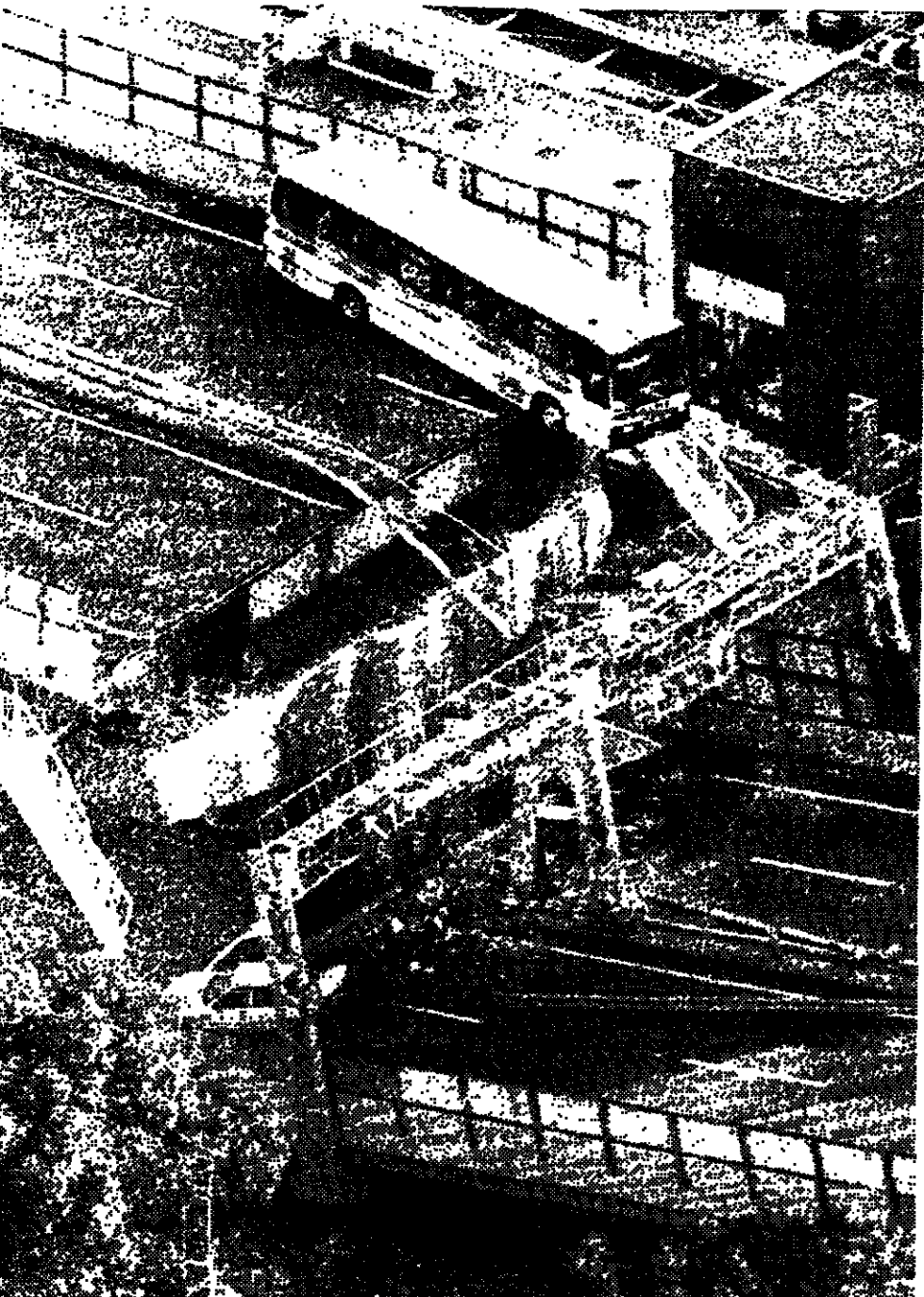
With Japan's annual gross domestic product estimated at 450 trillion yen (\$4.5 trillion), the earthquake's damage would have to exceed 45 trillion yen for Mr. Brown's estimate before international markets would need to worry.

Juichi Wako, London-based economist at Nomura Research, noted that the area where the quake struck accounts for about 13 percent of Japan's GDP. His initial assessment of the cost to repair damage is some 5 trillion yen, about 1 percent of the gross domestic product.

As of last September, the latest period for which statistics are available, Japanese institutional investors held a total of some 32 trillion yen in foreign securities — both equities and bonds.

The foreign securities holdings of casualty insurers — who presumably are most at risk from the earthquake — totaled some 3.8 trillion yen last September, Mr. Brown estimated that about 90 percent of their holdings would have been invested in bonds, of which no more than 40 percent would have been placed in bonds of the U.S. government and its agencies.

Analysts at J.P. Morgan estimated the amount of outstanding U.S. government and agency bonds at \$4.5 trillion, and the government itself estimated last June that nonbank foreign investors held some \$633 billion of U.S. government debt.



A bus balancing precariously Tuesday over a collapsed section of highway in Kobe.

Strong Aftershocks For the Economy

The Short-Term Devastation Could Give Way to Some Gains

International Herald Tribune

TOKYO — Japan's economy, struggling to get back into gear after its longest postwar recession, is likely to get a small boost as the government invests to reconstruct areas devastated by Tuesday's earthquake, economists said.

But in the short term, they said, the cost in lives, transport links and other assets is bound to depress the economy of the hard-hit Kansai region, which produces about one-eighth of the nation's output.

But over the long term, the disaster could accelerate government spending, not only in areas affected by the earthquake but across a country whose infrastructure remains far behind the standard of other developed nations.

"It's going to hinder production dramatically for a few months," said Kenneth Courtis, senior economist at Deutsche Bank Capital Markets Asia. "But I don't think it will be a depressant. Quite the opposite. Longer term it will lead to tremendous political momentum for renovation of infrastructure."

The full financial cost of the earthquake will not be known for days. But preliminary estimates ranged upwards of 1 trillion yen (\$10 billion).

"You're talking some tens of a percent of gross domestic product that will have to be spent to rebuild, maybe over a couple of years," Peter Morgan, chief economist at Merrill Lynch Japan Inc., told Reuters. "There will be some disruption of production facilities," he said, "but it is positive for GDP because you get extra spending."

Japan's chief cabinet secretary, Kozo Igarashi, said the government would provide financial assistance once an assessment was completed.

The Finance Ministry said that government-affiliated banks would extend low-interest loans to earthquake victims.

Some of the short-term consequences were immediately clear with terminals at the Kobe port, Japan's second largest, inoperable. Shipping lines were considering sending ships to alternative ports in Japan.

Plants across the region also came to a halt. Kobe Steel Ltd. ceased operation at two major steelworks. Daihatsu Motor Co. stopped production at two factories. At least two oil refineries and several oil processing units were shut down, according to news reports.

These plants could be back in operation soon and, in any event, economists said the lost capacity would have little impact on prices in an economy already burdened with excess capacity of 6 percent to 7 percent.

Although the economic effects of wrecked bridges and railroads will last longer, the financing of reconstruction will not present a problem for banks that have been struggling to find borrowers.

"There is sufficient liquidity in Japan to fund reconstruction," said Don Kimball, senior economist at Mitsubishi Bank.

Longer term, there is the possibility that public demands for improvements in infrastructure will grow more strident. Damage was far greater than experts had predicted for an earthquake of 7.2 magnitude, raising doubts about the quality of construction and maintenance of key facilities.

Experts were already calling for nationwide checks on the bullet train and expressway systems. Discoveries of systematic inadequacies could force the government to increase general funding for infrastructure, something the Finance Ministry has resisted.

"The public reaction," Mr. Courtis said, "may give Prime Minister Tomiichi Murayama enough gumption to lean on the Finance Ministry to increase spending."

— STEVEN BRULL

Just the First in Series of Jolts? Quake May Be Triggering 'Other Movements'

Compiled by Our Staff From Dispatches

TOKYO — Even as Japan struggled to cope with the strong earthquake that shattered Kobe, seismologists warned Tuesday that more powerful jolts could be on the way.

"The movement of active faults like this one would trigger other movements," said Kazuo Oike, a Kyoto University seismologist. "We might face similar major quakes."

In the weeks before the earthquake early Tuesday morning, Japan had had an unusual amount of seismic activity. Most of the quakes were in the northern part of the country.

The last big quake in western Japan, in 1946, measured 8.0 on the open-ended Richter scale

and killed more than 1,300 people. The region around Osaka and Kobe had been nearly free of quakes for some 40 years.

That changed with Tuesday's quake, which measured 7.2. Experts said more violent tremors might be in store.

Mr. Oike said the quake marked the start of a seismically active phase that could last two or three decades. In the short term, he said, big aftershocks are likely to shake the region around Kobe for the next several months at least.

"Stress has been building up for some 40 years," he said, "and there is still a lot left."

Some seismologists say they think a quake of magnitude 8 or so is likely to occur in the area about every century.

Kiyo Mogi, chairman of a government earthquake prediction center in Tokyo, said it would probably be decades before a really huge quake struck the Pacific coast of west-central Japan. But the intervening dormant period could see a series of shocks there, of which Tuesday's was the first.

In the initial aftermath of the quake, more than 500 aftershocks rattled the region around Kobe, 430 kilometers (270 miles) southwest of Tokyo.

Katsuyuki Abe of Tokyo University's Seismology Institute said aftershocks with a magnitude of greater than 6 could strike in coming weeks.

As bad as the destruction was in Kobe, observers were quick to point out how much worse a similar magnitude quake in the capital would be. Kobe has a population of 1.4 million; 12 million people live in Tokyo.

"If a similar earthquake had hit Tokyo, it would be much more disastrous," Toshiyuki Katada, a Musashi Tech University geology professor, said. "It's unimaginable. What we observed today is a miniature version of what might happen in a possible giant quake in Tokyo."

Japan is unusually prone to earthquakes because it is situated at the meeting point of two tectonic plates, huge slabs that make up the earth's crust. Here, geologists say, the Philippine Sea plate is trying to force its way under the Eurasian plate.

(AP, Reuters)

First Bullet Trains Had Not Yet Rolled

Reuters

TOKYO — When the earthquake struck central Japan, the bullet trains in Japan Rail's fleet were still waiting silently in their sheds early Tuesday morning.

Fourteen minutes after the 5:46 A.M. quake, the first Shinkansen was scheduled to leave Shin-Osaka station and would soon have been hurtling west toward Kobe at up to 230 kilometers an hour (140 miles an hour).

The tracks it was due to run on are laid on overhead railroads, 40 meters (130 feet) or so above ground that includes densely populated residential districts.

The earthquake flung railway tracks to the ground at eight different places.

Railway officials said that if a fast-moving train had hit any of these sections, it would most likely have derailed and could probably have plunged onto the houses below.

"We can only speculate, but

there could have been quite a disaster," said Takahashi Nobuhara, a spokesman at Japan Rail West.

Each bullet train has up to 16 cars and a total capacity of

1,300 passengers. The trains have maintained a perfect safety record since they started operating in 1964.

No train-related casualties have been reported so far.



The International Herald Tribune and Hilton International combine two great offers to bring you one incredible deal.

You couldn't pick a better time to begin reading the International Herald Tribune every day. Because from now until April 17, 1995, when you subscribe to the IHT, you'll be getting the world's most comprehensive global newspaper at a saving of up to 47% off the cover price. That means a bonus of up to 52 free issues!

What's more, as a subscriber to the IHT, you'll receive a special "2 for 1" weekend offer at Hilton International hotels in 27 exciting cities including Paris, Munich, Amsterdam and Rome and even as far afield as Istanbul, Cairo and Cyprus.

With this offer, guests can spend two weekend nights at participating Hilton International hotels for the price of a single night including full buffet breakfast, service and tax.

And, as a new subscriber to the IHT, you'll receive a bottle of wine in your room as a special thank-you.

So send in your coupon today and discover Europe with Hilton International and the IHT — at incredible savings.

INTERNATIONAL HERALD TRIBUNE **HILTON**

This offer expires April 17, 1995 and is available to new subscribers only.

U.S. Experts Are On Way As Clinton Lends a Hand

The Associated Press

NORTHRIDGE, California — President Bill Clinton, marking the one-year anniversary of a deadly earthquake in Northridge, California, on Tuesday ordered a high-level delegation to Japan to help it cope with the "extraordinary fury" of its quake.

Mr. Clinton said he ordered officials from both the Federal Emergency Management Agency and the Transportation Department to travel to Japan.

General John M. Shalikashvili, chairman of the Joint Chiefs of Staff, is already in Japan and has promised U.S. military support, Mr. Clinton said.

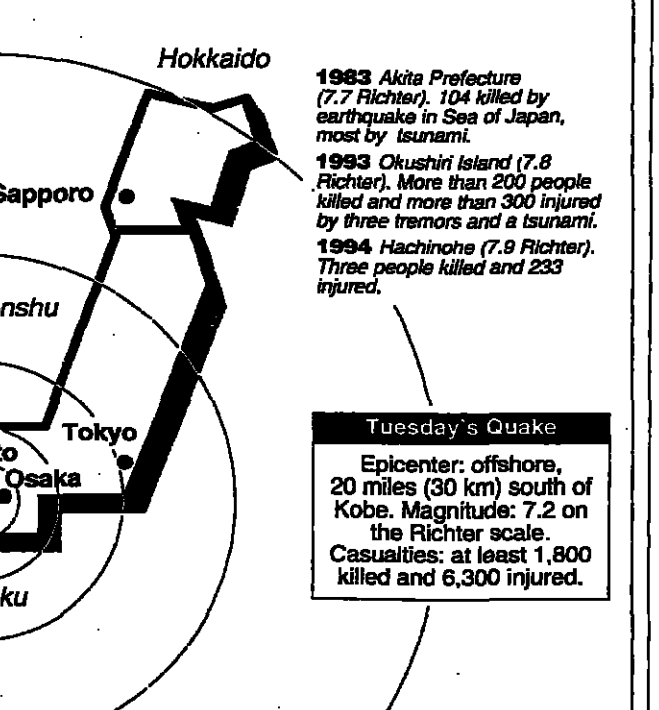
The Northridge earthquake killed 61 people, injured at least 9,000 and caused \$20 billion in property damage.

Major Earthquakes in Japan

- 1909 Anagawa, central Japan, 6.8 on the Richter scale, 41 people killed.
- 1914 Senpoku, northern Japan (7.1 Richter), 94 people killed.
- 1923 Kanto Plain (7.9 Richter). Fires after this earthquake killed about 140,000 people in Tokyo and Yokohama.
- 1925 Kita Tojima, western Japan (6.6 Richter), 428 people killed.
- 1927 Kita Tango, western Japan (7.3 Richter), 2,935 people killed.
- 1930 Kita Izu, west of Tokyo (7.3 Richter), 272 killed.
- 1933 Miyagi Prefecture (8.1 Richter). A tsunami, or huge seismically wave, killed 3,064 people.
- 1943 Tottori, western Japan (7.2 Richter), 1,063 people killed.
- 1944 Higashi Nankai, central Japan (7.9 Richter). Tsunami and initial shock killed 998 people.
- 1945 Mikawa, central Japan (6.8 Richter), 1,961 people killed.
- 1946 Nankai, off central Japan (8.0 Richter). Widespread damage from central Japan to Kyushu, 1,330 people killed.
- 1948 Fukui, central Japan (7.1 Richter), 3,782 people killed.
- 1958 Tokachi, northern Japan (7.9 Richter), 52 people killed.
- 1974 Izu, west of Tokyo (6.9 Richter), 38 people killed.

Quake magnitudes measured on the open-ended Richter scale. In populated areas, magnitude 5.5 indicates slight damage; magnitude 6, severe damage; magnitude 7, tremendous damage.

Source: NYT, AP.



Toll on Cultural Monuments Is Heavy

Agence France-Press

TOKYO — The earthquake that hit Kobe and other Japanese cities Tuesday has taken a heavy toll on cultural monuments.

Japan's ancient imperial capital of Kyoto, 90 kilometers (55 miles) east of Kobe, was badly hit, damaging irreplaceable national treasures.

Kyoto was the capital of Japan and home to the country's emperors for over 1,000 years, until 1869. Ancient temples, shrines and other historical valuables attract about 20 million visitors each year.

Three wooden Buddha statues in Koryuji Temple — dat-

ing back to the early years of the Heian Era, which began in 794 — were broken after being dislodged by the tremors, a monk at the temple said.

Tiles fell off the roof of Toji Temple, which has been designated a site of world cultural heritage.

Part of the halo of six Buddha statues was damaged at Seiryuji Temple, also regarded as an important national treasure.

Several stone lanterns in the garden of Nishi-Honganji Temple toppled, while cracks appeared in the walls of the Tenryuji and Daigoji temples.

At Sanjusangendo Temple,

four of its famous 1,001 Senju Kannon statues were left tilted.

The earthquake also damaged the wooden structures of Tofukuji, Rokuharamitsuiji, Kodaiji and Ninnaji temples.

In neighboring Nara Prefecture, at least one Buddha statue and two ancient lanterns collapsed at Horyuji Temple, said

to be the oldest wooden structure in the world. Horyuji was built in 607 by Shotoku Taishi, a crown prince.

In Kobe, hardest-hit by the earthquake, the Ikuta Jinja Shinto shrine was all but destroyed. Its torii gateway and stone garden lanterns collapsed.

The famous annual French scientific congress of MEDICAL ULTRASOUND "SFAUMB'95" held in Paris on March 30/31 & April 1/2 1995 will be dedicated to TELEMEDICINE.

Telemedicine for intercontinental scientific discussions and for teaching will be experienced all along the three days.

Sponsors & partners are being solicited for telemedicine or delayed live broadcasting with or without translations in vernacular languages.

Contact Prof Dr Jean-François Meunier FAX (33-1) 43-20-94-05 or 43-34-41-95.

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The Chechnya Choice

At some point the disproportionate and indiscriminate air power and artillery fire that Russia has continued to pour on Grozny's undermanned and underarmed defenders is bound to enable the attackers to prevail. But even then the Chechens, not for the first time hardened in combat against Russian might, may well be of a mind to carry on armed resistance indefinitely. In short, there will be a continuing requirement for a political settlement between the government in Moscow and the Chechnya independence forces. It is vastly to Russia's advantage to bring about that result sooner rather than later and in a manner that allows it to shrink its dilemma in Chechnya to manageable dimensions and to move on from its disastrous performance in this round.

For a while it seemed conceivable that a Russian-declared temporary cease-fire might take hold. But the Russians foolishly insisted on terms reflecting a victory that Moscow is far from winning either on the battlefield or in broader Russian or international opinion. No doubt the Chechens are difficult interlocutors. But President Boris Yeltsin badly needs to demonstrate, to all his audiences, that he can shape an acceptable political space for people who are

rebels but who, he continues to insist, remain citizens of Russia. This is the sensible objective for a multinational state that must expect further challenges from within its broad borders. Only by working out terms with the Chechens can Mr. Yeltsin even start to restore some of the standing that this crisis has cost him in Russia and abroad.

Eager to recoup, the Russian government made known on Monday that it had invited Bill Clinton to a Moscow summit in May. Better a summit with the Chechen leader Dzhokhar Dudayev in January. This is the message Secretary of State Warren Christopher ought to be conveying to his Russian counterpart.

There are signs that Mr. Yeltsin's Russian rivals have used his discomfiture to undercut the process of reform. That in turn would undercut the whole basis, substantive as well as political, on which successive American administrations have pursued a policy of deep engagement with the post-Communist Russian leadership. A marked abridgment of that policy now becomes a possible result of the battlefield outrages and the political myopia of the Yeltsin leadership. It falls to President Yeltsin to keep that from happening.

—THE WASHINGTON POST.

Business on Welfare

Republicans will have to cut more than \$1 trillion out of the U.S. federal budget over seven years in order to pay for their promise to cut taxes and balance the budget. If Social Security and defense are exempted, as many Republican leaders insist, that means that the remaining programs must be cut by 30 to 40 percent. This benighted pledge, if fulfilled, will wreck government programs, good and bad. The damage could be mitigated by requiring defense to absorb its fair share of the cuts, and by eliminating the huge, unjustified federal subsidies and tax breaks doled out every year to wealthy companies and other special interests.

Republicans have already declared war on Aid to Dependent Children and other forms of welfare, including food stamps, housing assistance and child nutrition — that cost about \$50 billion a year. Secretary of Labor Robert Reich challenges them to go after another form of welfare, equally large or larger, which he mockingly labels "Aid to Dependent Corporations." Corporate welfare, according to a meticulous although partial list drawn up by the Democratic Leadership Council, exceeds \$40 billion a year. The Leadership Council estimates that a thorough search would turn up between \$60 billion and \$75 billion a year.

That pile of wasteful giveaways should provide plump pickings for John Kasich, the forthright head of the House Budget Committee, and other Republican budget cutters. By going after corporate welfare they can invest more in training, education, infrastructure and scientific research as well as preserve help for the needy even as they proceed with their frenzied attack on federal spending.

Some handouts are justified. Government should underwrite basic research, for example in biotechnology or materials science, that has the potential to enrich society even if any one company is

unlikely to translate its discovery into large profits. Government also has a responsibility to provide housing and health care to the poor. But a quick scan of the federal budget shows scores of subsidies that accrue to little more than payback to politically powerful constituents.

A Leadership Council think tank lists 68 tax and spending programs that cost more than \$40 billion a year but which, it argues, do little to benefit the economy. A few items on the list can be defended, but most cannot.

For example, taxpayers spend billions subsidizing the sale of food to foreigners (to bail out growers) and of timber (to bail out loggers). Washington pays dairy farmers and sugar growers to keep prices high and pays oil companies to drill hard-to-reach wells. Congress subsidizes private utilities that serve rural areas long after electrification of those areas, the original purpose of the program, has been achieved.

None of the beneficiaries of these federal handouts will relinquish their subsidies without a ferocious fight. The Leadership Council proposes that a commission be set up, similar to the one that recommended which military bases to close, to draw up a plan to cut corporate welfare, which Congress would then vote upon without amendment. Even without such a commission, the Republican Party promises to bring to a vote a menu of cuts which, as Mr. Kasich has promised, exempts "no federal program, agency or department." But the Republicans seem allergic to closing corporate loopholes.

The Republican Party owes America more than budget balancing and tax cuts. Despite its anti-welfare rhetoric, it has a duty to protect vulnerable minorities. It must invest in the economy. It must not sacrifice one set of welfare recipients while protecting the fortunes of another.

—THE NEW YORK TIMES.

A Dignified Memorial

With the year 2000 now in sight, it is clear that the Reverend Martin Luther King Jr. was the most important public figure to emerge from the Deep South in the 20th century. He was not simply a regional figure, of course. By destroying segregation in his home territory, he redefined America's approach to human rights and released political energies that have touched citizens as far away as China and South Africa.

But great leaders leave personal as well as global histories. They belong to the family of humanity, but their individual families can be battered cruelly in the conflicts that swirl around such leaders. This was the case with the family of Martin Luther King's role model, Mahatma Gandhi, and it is also the case with the King family.

Mr. King's widow, Coretta Scott King, has conducted her life with dignity and with true dedication to the causes and people championed by her husband. But sadly, she and her children are now engaged in a needless and damaging battle with the National Park Service over the administration of Mr. King's boyhood home and the surrounding neighborhood in Atlanta, known as the King Historic District.

Relations between residents of the neighborhood and the Martin Luther King Jr. Center, where the civil rights

leader is buried, have often been tense. Now many of Mr. King's allies in the civil rights movement are offended by a plan being pushed by Mr. King's son, Dexter, to build a Disney-style theme park under the auspices of the for-profit King family estate. This plan's strong whiff of commercialism offends the dignity of the crusade that Mr. King led and for which he was martyred.

The National Park Service's preference for traditional memorial sites and museums, like the successful civil rights museum in Birmingham, makes sense. The Park Service, for its part, needs to be sensitive to King family concerns that Mr. King's message not be homogenized and robbed of its radical nature. Federal authorities should also keep in mind that existing facilities would not exist without Mrs. King's initial efforts.

That said, common sense militates against the flashy approach. Just as the Disney organization was wrong in its plan to build a theme park on hallowed ground in Virginia, the King family is misguided in its attempt to build a \$60 million high-tech tourist attraction along Atlanta's "Sweet Auburn" Avenue. The South's great movement and its great leader deserve a dignified memorial in keeping with the grandeur of their accomplishments.

—THE NEW YORK TIMES.

Get Serious About the United Nations' Next 50 Years

By Jessica Mathews

WASHINGTON — Some bad angel arranged that the 50th anniversary of the United Nations, which should be the occasion for clear thinking about what kind of institution the world needs for the next 50 years, would be the year when the Washington vogue is United Nations-bashing, slashing, spending on anything foreign, and, among the newcomers especially, an indifference to America's role in the world.

This year will see a flood of studies and commission reports on reinventing the United Nations that will have a common thrust: that demands on it will inevitably grow because of more threats and needs that governments cannot address on their own. The clash with Washington's inclination could not be more stark.

The United Nations was created to deal with threats to the peace from states acting against other states. It was conceived as an institution of, by and for governments. In the next 40 years it ran a dozen peacekeeping missions; seven major arms control treaties were negotiated under its auspices. But the founders' ambitions in the security sphere were hamstrung by the Cold War standoff. Meanwhile, the organization gradually turned into something different.

Among its accomplishments, it managed the transformation of colonies into countries, applied sanctions in South Africa and Rhodesia, stimulated economic recovery and monetary stability and extraordinary growth in the developing

world through the International Monetary Fund and the World Bank. built global cooperation on weather monitoring and prediction, created the International Atomic Energy Agency to contain the nuclear genie, wiped out smallpox, made international air travel and ocean shipping safe and possible, and allocated communication bandwidths to avoid global cacophony.

By the fall of the Berlin Wall, the United Nations was less a peacekeeper than a vital housekeeper for a more crowded, more interdependent world.

Since 1990, the institution has changed again. The peacekeeping role has exploded — more was spent in 1993 than in the previous 48 years. So has refugee and humanitarian support. The press and the public, writes former Undersecretary-General Brian Urquhart, increasingly think of the United Nations as a present or potential world police force and humanitarian rescue service, an "embryonic public-service sector of a world community that does not yet exist." Oddly, given Washington's rhetoric, American public support for the United Nations in this guise has never been stronger.

And for the future? Peacekeeper, housekeeper, global social safety net or all three? How much can the United Nations do? What must succeed, and what could be done by others? If more

will be asked of the system than there are funds to support, what must be closed down, shrunk or allowed to fail?

Can an institution that must beg rather than tax, and accept whomever governments choose to send for its staff, ever be run effectively? In a world where governments are no longer the only international actors, should the United Nations make more room for nongovernmental organizations, business and the other voices, and if so, how?

Those who believe that the peacekeeping role is the United Nations' sine qua non spend time pondering who should sit on the Security Council, the creation of a UN voluntary force, or how, at least, to put in place a staff authority capable of planning and deploying military missions in unfriendly environments so that the response to every crisis need not be built from scratch.

For those who see the greater threats coming from state failures rather than state actions, and from the combined effects of poverty, joblessness, environmental decline and a billion more people each decade, the focus is not the Security Council but the Economic and Social Council and how to meld the dozens of UN agencies, now funded and run as independent fiefdoms, into a coordinated whole.

The balance between the effort and funds devoted to emergencies versus those targeted to long-term development is also an increasingly urgent matter.

The waste, fraud and abuse types have

a long agenda. The United States has spent inordinate energy forcing an inspector general's office down the United Nations' throat, but what really matters for starting the institution down a new management path will be the clout of the next secretary-general.

Among those mentioned for the post, the Canadian businessman Maurice Strong asserts that the United Nations "could work better than it does today with less than half as many people." After years spent in various UN jobs and having cut a quarter of the work force as CEO of Ontario Hydro, North America's largest utility, Mr. Strong has reason to be taken seriously.

In contrast to this long agenda, Washington's interest is largely confined to the cost of UN dues (currently less than 1 percent of the defense budget for everything, including peacekeeping) and the command arrangements for U.S. troops in multinational missions. Although important, neither comes close to the choices that will determine whether the United Nations serves global (or long-term U.S.) needs in the coming half-century.

A deep ambivalence over whether the United States want a strong and effective United Nations (Americans would prefer unilateral solutions, but know that they cannot afford them) has so far kept it away from a now pressing consideration of what the world needs a global body for and how to manage and pay for it.

The Washington Post.

Expand NATO Only When and If the Russians Make It Necessary

By Michael E. Brown

This is the second of two articles.

CAMBRIDGE, Massachusetts — The West must not be sanguine about Russia's imperialistic history, its aggressive policies today in the Caucasus in particular, or the prospects for democracy in Russia. It is entirely possible that Russia will embark on an expansionist course in Europe in the future. But it is also possible that Russia will continue to evolve in benign ways. It would be the height of folly for the West to undermine this process.

NATO policy should be designed to deal with both these problems. It should guard against the possibility of Russian aggression, while maximizing the prospects for political reform in Russia.

NATO expansion should therefore be tied to strategic circumstances. If Russia takes steps to threaten Central Europe militarily, then NATO should expand membership to as many states in the region as possible.

NATO should declare that it will expand if necessary, but that it will not expand until strategic circumstances call for that step.

This would give Russia's leaders a powerful incentive to pursue benign policies toward its neighbors in the West.

Some of the steps that should trigger NATO expansion include: Russian withdrawal from the Conventional Forces in Europe treaty; a buildup of Russian conventional forces near neighboring states in the West; the use of military threats against any neighboring state; discontinuation of the denuclearization process; violation of the Russian pledge to respect Ukraine's sovereignty; absorption of Ukraine or Belarus into the Russian Federation; or transformation of the Commonwealth of Independent States into a federal entity.

The European Union also has a role to play in protecting Central Europe from Russian aggression. If Russia tries to establish a sphere of influence in Central Europe, it will probably rely on political and economic instruments

of leverage; blatant military aggression would ruin Moscow's relations with the West and precipitate the same sort of military confrontation that drove it into bankruptcy during the Cold War.

NATO membership will not insulate Central European states from Russian political and economic machinations. Should Russia embark on this course, the key to safeguarding these states would be integrating them into the West European economic system and the European Union. This would reduce their economic and political vulnerability.

The European Union, moreover, is the key to addressing intra-state and intraregional problems in Central and Eastern Europe. NATO does not have the means to address the political and economic roots of ethnic conflicts, for example, nor does it have the political and economic levers needed to contain intraregional conflicts once they get under way.

The European Union is better positioned in both respects.

By outlining a course for bringing Central and East European states into the fold, it will give potential members powerful incentives to protect minority rights, embrace democratic reforms and conduct their internal and external affairs peacefully.

In short, NATO should be the ultimate guarantor of Central and East European security as far as external threats — Russian aggression — is concerned. And the European Union should be the key to promoting stability within the region itself. NATO should expand if circumstances demand. The European Union should expand as quickly as it can.

Some will argue that this course is too risky, that NATO will lack the will to extend membership when push comes to shove. This argument cannot be dismissed lightly.

The problem of making a decision on expansion in the face of Russian aggression can be minimized if steps are taken to devel-

op and sustain a consensus within the alliance while relations with Moscow are on a cooperative footing. The key will be coming to an understanding within the alliance that threatening Russian actions will require a military response from the West — expansion of the NATO alliance.

In the end, I have more faith in NATO's ability to act decisively when vital interests are threatened than in Russia's ability to accept provocation without retaliation. NATO should adopt a nuanced strategy that maximizes the West's chances of seeing a new security order develop in Europe and guards against the possibility of Russian belligerence.

The writer is a senior fellow and editor of *International Security* at the Center for Science and International Affairs, Harvard University. This comment, which he contributed to the *International Herald Tribune*, is adapted from an article in the forthcoming issue of *Survival*, the journal of the International Institute for Strategic Studies.

The West Has Strong Reasons to Push for a Chechnya Settlement

By Susan Eisenhower

CHEVY CHASE, Maryland — Russian Deputy Prime Minister Nikolai Yegorov said on Russian television last week that aerial reconnaissance had identified four nuclear missile silos near the Chechen town of Bamut. He vowed to gather all the facts but said he doubted that nuclear missiles were still in them — despite an earlier claim by Chechen officials that they could probably gain access to the secret base of Bamut, where they said 24 nuclear warheads are located.

Boris Yeltsin's ill-advised adventure in Chechnya comes as a jarring reminder that war has broken out in one of the world's nuclear powers. The military campaign, launched to maintain the integrity of the Russian Federation, not only threatens economic

and democratic reform in Russia, it jeopardizes the security of the international community as well.

For all the long-stated concern about the possibility of chaos in one of the world's largest nuclear arsenals, it is amazing that the United States has not vigorously demanded the initiation of a peace process, from Day One. Since the intractable conflict began, very little, if any, creative thought has been given to how to resolve the crisis, yet so much depends on it.

To be successful it will be necessary to review the Bolshevik-Stalinist federation framework, now in use in Russia, and find a way to recognize Chechnya's historic claims within the context of a re-

sponsive democratic federation. Chechen grievances must be considered. Otherwise any settlement, or "solution" without justice, will ensure that there will never be peace in the region again.

It is no good to try to wish Chechnya's independent spirit away. It was forged by more than a century of bloodshed and bitter repression.

In the 1830s, Russia launched a campaign to conquer the Muslim mountain people as a strategic trophy in its regional competition with Turkey. Chechnya held out against the Russian incursion for almost 30 years, finally succumbing in 1859. In the intervening years, Moscow made good use of Chechnya's oil reserves, depleting

its largest deposits by the time Stalin deported almost the entire nation to Central Asia, during World War II.

Today practically every Chechen born before 1957, when they returned to their homeland, has lived in exile. It is not surprising that this homogeneous republic, with deep roots in Islam, has an almost genetic distrust of Russia.

The opening for independence came with the collapse of the Soviet Union, and Chechnya made its move, much like the non-Russian republics. No longer a Russian enclave, now with a "foreign" Georgian border, it resisted participation in negotiations on the Russian Federation Treaty and refused to participate in the Russian constitutional referendum. Today the Chechens see themselves as pummeled for their failure to comply with the laws of a country they left before it existed, punished for defying a constitution they never adopted.

If Russia wins this war, and it is hard to believe that it won't eventually, the only way Moscow will be able to bring about order in the region is again to ruthlessly suppress the Chechen people.

Some way out of the deadlock must be found. A protracted conflict promises to destroy Russian economic reform efforts and perhaps even its democratic gains. It could also seriously undermine Russia's relations with its other Muslim minorities, bringing more tension between the Christian and Muslim worlds, already exacerbated by the Bosnian conflict.

The best hope for ending the bloodshed and indiscriminate destruction is to use leverage with

Moscow to insist on the imposition of a peace process. Recently, Nursultan Nazarbayev, president of Kazakhstan, phoned Mr. Yeltsin and volunteered to serve as an intermediary. Mr. Nazarbayev is ideal for this purpose.

President of a country that still has a sizable Chechen population, he is respected in Moscow, in Washington and among his colleagues in the Muslim world. He has long advocated regional security systems, and he has also worked diligently to head off many potentially bruising conflicts within the Commonwealth of Independent States structure.

His credibility with both warring sides could provide what this no-win war has needed all along: a rational voice, willing to commit time and effort to finding a solution acceptable to both sides.

One such outcome of this process might be a new status for Chechnya, say, as an "associate republic." Or perhaps a special treaty could be negotiated much like the one that Tatarstan signed with Moscow last year.

If the West is not prepared to roll up its sleeves and get to work on this Russian regional crisis — a Bosnia with nuclear weapons — then Mr. Nazarbayev should be vigorously supported and given that chance. Without such a good faith attempt, we can only expect more trouble. And the prospect of that keeps bringing to mind a familiar adage: "One man's terrorist is another man's freedom fighter."

The writer is chairman of the Center for Post-Soviet Studies. She contributed this comment to *The Washington Post*.

Just Walking Past the Broken People

By A. M. Rosenthal

NEW YORK — When I was living and reporting in India, I saw things that hurt my eyes. I saw them every day for years — twisted bodies, rotting bodies, mutilated bodies dragging through the streets. Faces were attached to the bodies but usually you did not look at them peering up from the sidewalk or the gutter. That way, it was possible to keep walking past the broken people and their bands.

For all my love and hope for India, I could never escape the sense of anger that any community would allow such degradation. At least, pick them up, pick them up.

Pick them up and tend to them — shouldn't we Americans think that as we pass our own broken people in the streets, the men and women who scream or cry as they lie there or try to run from themselves, down the sidewalks and into the roads?

If a person breaks a leg in the street, civil help tends to him quickly — ambulance, doctors, police. Break your mind and you lie there, unless you can show you need help by getting up and pushing somebody into a subway train.

How can this be so? Money, for one thing, treat them with pills, then discharge them from the hospitals, tell them to take the medicine themselves, close the hospitals. That is why in New York state alone, patients in state mental hospitals have dropped from about 93,000 in the 1950s to about 9,000 today.

But one patient in three does not take the pills after his release. He is too mentally ill, too alone — or too many care cen-

ters supposed to provide help have been closed.

The American community finds money for taking care of tens of millions — the poor, the aged, the physically ill. Why are so many mentally ill people cut off from help — at least 10,000 just in New York City's streets?

One reason is that everybody knows physical pain, but the pain that mental disorder can bring is literally unutterable by the suffering and unknown to most of humanity.

A couple of months ago, I had a long cardiac bypass operation. The doctors had said that when I recovered consciousness almost a full day later I might be disoriented by the heavy doses of anesthetics and drugs. I was, for some hours.

I did not understand why all these people around my bed were hurting me, why nobody stopped them. I was not just frightened but in total, enveloping terror. I felt it not as emotion but as overriding, bottomless pain. The particular agony was that since I did not know why I was being made to suffer so, I could not conceive of the end of suffering.

I catch my breath at the memory of those hours. I will never forget them, I hope, because they gave me a brief taste of the anguish of people who cry in the street because they do not know where their pain is coming from.

Some remain neglected because of the tangle of law and civil liberties that troubles judges, doctors, patients and

their families. Under New York state law, a patient has to have an illness that can inflict "serious harm to self or others" before he can be committed.

In the new issue of *City Journal*, a sophisticated and useful publication of the Manhattan Institute, Professor Sally Satel, a psychiatrist at the University of Pennsylvania on leave from Yale, says that lawyers and judges often see commitment hearings as a criminal rather than medical proceeding. The goal becomes to avoid incarceration, "not to look out for the person's best interest." But mental patients and their families particularly need the protection of law.

New York's standard of "dangerousness," however, permits severely disturbed people who have not attempted suicide or attacked somebody else to remain in the streets weeping, unfed, without medicine. Professor Satel suggests that New York follow 39 other states and adopt a standard of "grave disability" rather than "dangerousness."

That may bring help to some people on the streets but it will not prevent thousands of others from joining them there. One essential is enough centers to sustain and guide patients who need medicines. Another: for patients who have shown they cannot continue medical treatment voluntarily, a return to hospitalization until they can.

When all that happens, we will no longer have to pass the bodies of people with broken minds, or avert our eyes not to see their faces.

The New York Times.

International Herald Tribune
ESTABLISHED 1887
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen
RICHARD McCLEAN, Publisher & Chief Executive
JOHN VINOCUR, Executive Editor & Vice President
• WALTER WELLS, News Editor • SAMUEL ABE, KATHERINE KNORR and
CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor
• ROBERT J. DONAHUE, Editor of the Editorial Pages • JONATHAN GAGE, Business and Finance Editor
• RENÉ BONDY, Deputy Publisher • JAMES MCLEOD, Advertising Director
• JUANITA I. CASPARI, International Development Director • DIDIER BRUN, Circulation Director
Directeur Adjoint de la Publication: Katherine P. Dierman
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 46.37.93.01. Fax: (1) 46.37.05.51. Adv.: 46.37.52.12. Internet: IHT@euronline
Editor for Asia: Michael R. Hancock, 5 Cantonment Rd., Singapore 0511. Tel: (65) 473.7766. Fax: (65) 224.2434
Editor for Asia: Rolf D. Krumpholtz, 30 Cantonment Rd., Singapore 0511. Tel: (65) 224.2434. Fax: (65) 224.2434
Gen. Mgr. Germany: T. Schuler, Friedrichstr. 13, 10117 Frankfurt. Tel: (49) 71 07 35. Fax: (49) 71 72 10
Printed in: Michael Comp., 850 Third Ave., New York, N.Y. 10022. Tel: (212) 752.8600. Fax: (212) 755.8205
U.S. Advertising Office: 43 Long Ave., London WC2, Tel: (071) 836.4802. Fax: (071) 240.2254
N.Y. ou capital de 1,200,000 \$, RCS numéro: B 73201126, Commission Paritaire No. 61337
1994, International Herald Tribune. All rights reserved. ISSN 0248-0622

OPINION

In Pyongyang, With One Objective

By Bill Richardson

The writer is a Democratic congressman from New Mexico and a member of the House Intelligence Committee. This is the first of two articles.

Dec. 15-Dec. 17: I am on my way from Washington to North Korea to examine the U.S.-North Korean nuclear accord, to assess the possibility of dialogue between North and South Korea and to discuss human rights issues. Awaiting my flight to North Korea at Beijing's airport, I am struck by how eagerly the North Korean representative at the United Nations seems to welcome my one-day visit to Pyongyang and how rapidly and efficiently our visas are stamped at the Air Koryo counter.

Sitting next to a North Korean who looks like a young Mao, I focus on my mission for the House Intelligence Committee. Typically, no schedule has been provided by the North Koreans nor have we any idea where we will be staying. I don't know what to expect as our flight lands uneventfully in Pyongyang, on a dark North Korean night.

Dec. 17: On arrival, a Beijing reporter asks me to comment on the downing of a U.S. military helicopter. I am a bit perplexed when my hosts from the Foreign Ministry separate the journalist from me before any exchange can take place. A haze of television lights blinds me as I get into my escort car and our delegation makes a quick exit. Later I am told the television footage shows me looking extremely tired. My wife is more blunt: "You looked awful, in a total daze." We had been traveling for more than 30 hours, with stops in Los Angeles, Hong Kong and Beijing.

As we speed away in the Mercedes-Benz provided by our North Korean hosts, Deputy Foreign Minister Song Ho Gyeong gives me an outline of what appears to be a solid schedule replete with high-level appointments.

I immediately press Mr. Song about the helicopter incident. Mr. Song says that the helicopter was shot down at about 10:40 that morning after it intruded five kilometers into North Korean territory.

Mr. Song informs me that one of the pilots was killed and the other wounded. I tell Mr. Song that it is critically important to quickly return the wounded pilot and the remains of the other. In what becomes a familiar litany by the North Koreans, Mr. Song informs me that the Korean People's Army is investigating the incident as a military matter, and that until the investigation is complete the pilots will not be returned.

Mr. Song gets a little testy as I persist. It is a long 40 minutes to our lavish guest house complex.

As we arrive there, Mr. Song mutters rather harshly that a dinner in my honor is scheduled in 30 minutes. He winces when I inform him that I will have to speak to Washington about the helicopter incident and thus might be late. I call the office, but before I am able to say anything, an assistant, Su Nagurka, says somewhat breathlessly, "The secretary of state is urgently trying to reach you."

When I reach Warren Christopher, he has little information beyond scattered press reports. He asks me to press the North Koreans on the helicopter pilots and to remain in Pyongyang until the matter is resolved. I agree.

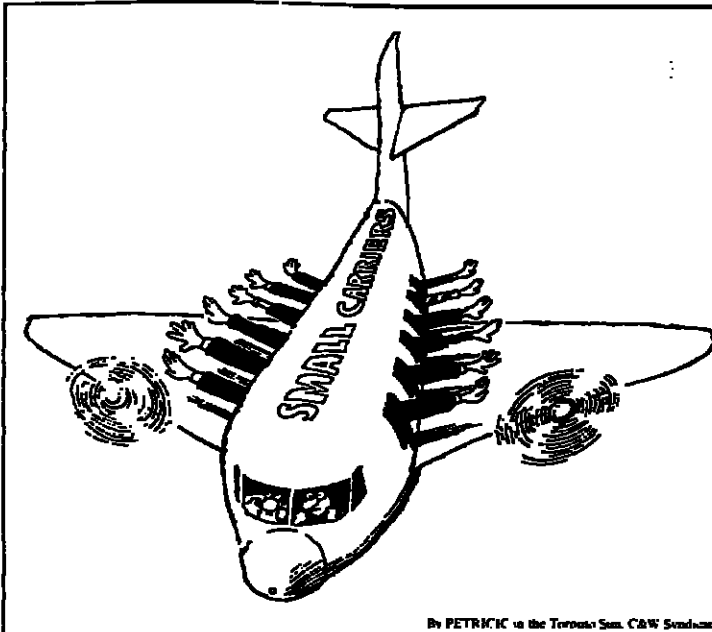
Needless to say, the dinner welcoming me is a disaster. The North Koreans had hoped I would drop the issue and enjoy the visit. No toasts are offered; I knew that the North Koreans had been rattled when I informed them that this incident would be my only point of discussion over the next 24 hours.

After returning to the guest house, we spend the next three hours on the telephone plotting strategy with Mr. Christopher, the president's national security adviser, Sandy Berger, and other officials.

My mission is clear: Get information on the incident and the status of the pilots, bring them back to South Korea and inform the North Korean government that failure to resolve this incident could harm relations. I am instructed not to link the nuclear agreement, but to stress that the atmosphere surrounding implementation of this agreement could be adversely affected.

Dec. 18: Today we speed along a desolate four-lane road for our meetings with the chairman of the North Korean congress, the economics minister, the chairman of the Korean Workers' Party and finally the foreign minister. The only other vehicles on the road are military vehicles or coal-fired buses. There are, however, many people trudging alongside the broad asphalt strip; all look perfectly content.

Along our 30-kilometer trip into downtown Pyongyang, there are no discernible towns or buildings. Numerous roads lead off the main road, but they only meander off beyond the smoky horizon. Unceremoniously, we enter Pyongyang gazing at the colorful billboards advertising revolutionary spirit and the recently deceased leader, Kim Il Sung.



Speeding along the town's broad boulevards, we pass the arch commemorating North Korea's triumph over the Japanese, and the Korean Revolution Museum with a towering bronze statue of Kim Il Sung.

Our meetings over the next eight hours are unsatisfying. Throughout the day I stress, to the point of tedium, that failure to attend to the helicopter incident in a timely and constructive manner could seriously upset U.S.-North Korean relations. It is difficult to judge whether North Korean officials are uninterested or unable to treat this issue with the urgency it deserves. They choose instead to bash South

Korea at every turn, yet reiterate time and time again their desire to improve relations with the United States and to develop a security treaty between the two countries, excluding South Korea.

The line on the helicopter incident remains consistent: The Korean People's Army is conducting an investigation and no external pressure will affect the timing. The lack of information, the unwillingness to communicate my concerns to the military and the evasive manner expose a fissure between the civilian types in the Foreign Ministry and the Korean People's Army.

The size of the rift — and its cause — are a mystery to me.

The Washington Post.

Park, Library, Art Museum: All Part of an Elitist Plot?

By Richard Cohen

NEW YORK — For those Americans who think the arts are elitist and deserve not a farthing of federal funds, here are some numbers. Last year, this city's Metropolitan Museum of Art — "Maybe the greatest art museum in America," according to Newt Gingrich — drew 4.6 million people, more than all the city's sports teams combined. A single exhibition, the stunning "Origins

The reason the arts or public broadcasting need government help is that quality is not only expensive, it is almost always unprofitable. The government does many things because they are worthwhile and because, otherwise, they would not exist. Disney World can make a buck, but not some obscure national park or, for that matter, your local public library. Want to give those up?

I find it odd that conservatives, of all people, are always ranting about the elite. Many conservatives, after all, are not only card-carrying members of that ill-defined group, but some of them are always arguing for cultural standards. What's wrong, then, with government upholding an occasional standard in the arts, aiding something deemed worthy. Is a superpower nothing more than ships, planes and men in arms?

There is nothing wrong with elitism if it is gained by merit. There is nothing wrong with the U.S. government doing what, in essence, certain German rulers did in hiring one J. S. Bach to compose a little music.

For sure, there will be the inevitable controversy — a Mapplethorpe exhibition, for instance — but as the Met's own "Origins of Impressionism" show proves, one generation's outrage can sometimes become another's beloved classic. Some of the show's best paintings were condemned by the art establishment in the last century.

When I visit the Met here or any of the Smithsonian museums in Washington, I am awed by the combination of private philanthropy and government funding that pays for what I see, sometimes gathering art from around the world for a particular exhibition. I will not argue that supporting the arts is more important than national defense or cancer research. But I will say that enriching a nation's cultural life is not a superfluous effort. If you believe that, then it follows that the Sistine Chapel's ceiling does nothing more than keep out the rain.

If government, all government, turns its back on institutions like the Met, they would either have to curtail services or steeply raise ticket prices. Great art — the masterpieces that once hung in the parlors of the rich — would once again be available only to those who can afford it. That would mean that an institution that is in no way elite would ultimately become just that. The silly fight against elitism serves only the cause it abhors.

Washington Post Writers Group.

LETTERS TO THE EDITOR

Bosnia From Close Up

Regarding "Arm Muslim Fighters and Bomb Serbian Positions" (Opinion, Nov. 29) by William Safire:

As a former British soldier who served in Bosnia for a year as an interpreter and who, prior to that, was a student in Sarajevo for six months, I feel I must challenge Mr. Safire's article.

He thinks the Serbs should be attacked in force? After such an attack would he like to be in a British Army camp covered by Serbian artillery in a Bosnian winter when aircraft would be grounded for weeks at a time? And what would the Serbs do to the tens of thousands of Muslims who still live in Serb-held territory?

How can he suggest bombing the roads and bridges of Serb-held Bosnia when along these very roads

comes the humanitarian aid for Muslim-held Bosnia?

Has Mr. Safire talked to the Serbs who were brutally expelled from the so-called safe areas by the Muslims? Serbs made up 30 percent of the population of the "Muslim enclaves" before the war. Is it "safe" for them to return to their homes? It has been said before, but it ill behooves Americans to pontificate about a war where they have no ground forces — not even to see what is going on.

I. R. THORNTON.
Birmingham, England.

In the report "Croatia Seeks UN Exit in Disputed Territory" (Jan. 12) a Western diplomat is quoted as saying that the United States has been telling President Franjo Tudjman that "Serbia could get drawn in, you could lose, and then don't

count on Western support to get you out of trouble." That is probably funny even in Sarajevo.

JOEL SAVITZ.
Leyser, Switzerland.

Still-Sturdy Russia

Regarding the report "Russian Army's Might and Myth Shattered in Grozny" (Jan. 7):

The Soviet Union's winter war with Finland, prior to World War II, left the West, and particularly Hitler, with an inaccurate impression of Moscow's military power. Hitler, reportedly in reference to Operation Barbarossa, said that all one had to do was "kick the door in and the whole house will fall down." The lesson is clear: One should not count the Russians out so quickly.

CLINTON H. CRAGG.
Stuttgart.

Bomb in the Laboratory

I find it absurd that a country whose main export is its creativity would penalize itself for the future by questioning the very existence of its National Endowment for the Arts — the arts being the very laboratory of creativity.

GREGOIRE MULLER.
Montbrillant, Switzerland.

Clinton in Context

Regarding "As Clinton Tries to Reimagine Himself, the Question Is: Who Is He?" (Dec. 16):

Since Bill Clinton came to office there has been dramatic progress in the Middle East and Haiti: the U.S. economy has done very well; GATT, the most important international trade agreement in many years, has been passed; a strong crime bill has been approved by

Congress; and Mr. Clinton has made the first real effort by any president to provide comprehensive health coverage for all Americans. Judged on real issues, Bill Clinton is already an unusually successful president.



MICHAEL G. ANGSTREICH.
Oslo.

A Place for the Mentally III

Regarding "9 Highland Road: A Review" (Books, Dec. 23):

If "9 Highland Road" is an argument for community-based mental health care, said to be cheaper and more humane, it also raises a big question on why the mentally ill have to be isolated at all. Why doesn't the community absorb them as it should the elderly?

ANNE STANFORD.
Palma de Mallorca, Spain.



THE AMERICAN EXPRESS

"I've just spent 10 nights in the wilderness and I don't have my card with me, can you help me get a shower and a real bed?"

SERVICE.

There are no easy names for the kinds of service we've given our Cardmembers over the years. Because every day, everywhere around the world, so many of our Service Representatives have gone beyond the call — helping to solve problems not just about lost Cards or Travelers Cheques, but about the unpredictable nature of life itself. So whether you're upriver without a paddle or downtown without a hotel, American Express is there for you and ready to be of service. Whatever name you want to give it. Just give us a call.

THERE IS ONLY ONE AMERICAN EXPRESS.

Supreme Court Will Reconsider Race-Based Preferences

In the broadest sense, said the National Association of Minority Businesses in a friend of the court brief, "the effect of racism in this country is under review."

The justices who now hold the balance of power on the Supreme Court have stressed that it is important to treat all citizens as individuals, not as part of a class.

There is no such thing as a "benign" racial classification, wrote Sandra Day O'Connor in 1990, in dissenting opinion to a decision allowing race preferences in broadcast licenses. She was joined by Chief Justice William H. Rehnquist and Justices Antonin Scalia and Anthony M. Kennedy.

Governmental distinctions among citizens based on race or ethnicity "exact costs and carry with them substantial dangers," she wrote.

The addition of Clarence Thomas, who abhors race, to the court may tip the balance to rejection of the federal program. In addition, David H. Souter, Ruth Bader Ginsburg and Stephen G. Breyer are collectively more conservative than their predecessors who in the 1970s and 1980s helped shape public policy for race preferences.

WASHINGTON (AP) — Accusing the news media of "nitpicking," the speaker of the House of Representatives, Newt Gingrich, said Tuesday that the media tycoon Rupert Murdoch had sought no favors when the two men met before Mr. Gingrich concluded a deal with a Murdoch company.

Mr. Gingrich said at a sometimes contentious news conference that he would "never get involved" in a dispute between Mr. Murdoch and the NBC network. NBC has alleged that stations that make up the foundation of Mr. Murdoch's Fox TV network violate foreign ownership restrictions. The issue is before the Federal Communications Commission.

Responding to questions on the Nov. 28, 1993, meeting between himself, the tycoon and a Murdoch lobbyist, Mr. Gingrich attacked the media for focusing on what he called "narrow and petty" issues.

The speaker described the 15-minute meeting as a "courtesy call" by Mr. Murdoch. He reiterated earlier statements that he had no idea that Mr. Murdoch owned HarperCollins, the successful bidder on a book contract with Mr. Gingrich.

"The truth is, I don't remember anything about his problems with the FCC," Mr. Gingrich said.

He originally agreed to a \$4.5 million advance to write one book of his political views and provide commentary in another. After a furor over the amount, the deal was changed to a \$1 advance plus royalties.

(AP)

FACING JUSTICE — Susan Smith, who has confessed to drowning her two sons, listening in Union, South Carolina, as the state sought the death penalty.

The Associated Press

WASHINGTON — A 72-year-old Holocaust survivor lost a Supreme Court bid Tuesday to force Germany to pay him \$17 million for his suffering in Nazi concentration camps.

The court, without comment, turned down Hugo Prince's argument that Germany can be sued in U.S. courts because its actions during World War II were flagrant violations of international law.

Still pending in lower courts are Mr. Prince's claims against four German corporations that now own two companies for which he performed slave labor during the war. Germany has asked a federal appeals court to order those companies dropped from the case.

Mr. Prince and his family were U.S. citizens living in Slovakia in 1942 when the Germans sent them to the Maidanek concentration camp because they were Jewish.

Mr. Prince's parents and sister were killed, while he and his two brothers were sent to Auschwitz and Birkenau as slave laborers. His brothers starved to death before Mr. Prince was sent to Dachau, where he was liberated by U.S. troops in the war's final days.

HUNTSVILLE, Texas — A mentally retarded man who raped and strangled his 14-year-old niece was executed by lethal injection here Tuesday.

The execution of Mario Marquez, 36, who defenders say has the mental capacity of a 5-year-old, was carried out several hours after his final appeal for a reprieve was rejected by the U.S. Supreme Court and by the lieutenant governor of Texas.

In his final statement, Mr. Marquez voiced forgiveness for "those who brought me here tonight."

"I do want to say that I am

WASHINGTON — The U.S. Army's chemical weapons are inadequately stored and could be the site of a devastating accident before disposal incinerators are functioning in the year 2004, according to a study by the General Accounting Office.

The army has stockpiled 25,000 tons of chemical weapons in eight sites in the United States and one in the Pacific.

Particular concern was expressed about M-55 rockets, because the explosive component of the rockets cannot be separated from the chemical warheads.

WASHINGTON — A Republican-sponsored constitutional amendment that would require a balanced budget hit a roadblock in the Senate on Tuesday when a senior Democrat invoked an arcane procedural rule to halt committee action.

Senator Robert Byrd of West Virginia employed a little-used prerogative of any senator to block any committee meeting if the full Senate has been in session for at least two hours.

The move was expected to delay matters only briefly. Senator Orrin G. Hatch, Republican of Idaho, who heads the committee, said he would call the panel into session early Wednesday to continue work on the amendment. (AFP)

WASHINGTON — Ross Perot nearly got a journalistic scoop in his first appearance as a television interviewer, as guests on the CBS "60 Minutes" "Larry King Live."

The billionaire businessman and former presidential candidate squared off with the leader of the new Republican majority in the Senate, Bob Dole of Kansas, asking him if he had any presidential ambitions for 1996. Mr. Perot announced his own independent bid for the White House in 1992 on the interview program.

"I think we're leaning in that direction," Mr. Dole answered, edging a little closer to an announcement. "I think it's probably going to happen." (APF)

President Clinton, saying his National Service Program should be spared the spending cuts that the White House has vowed to work with Republicans to bring about: "The purpose of all this is not to wreck the government, not to give us a mean-spirited government, but to give us a lean government that will work with us to solve all our problems."

**Tax-Free U.S. Corporations
formed correctly by
U.S. Attorneys!**

Income-tax-free Nevada now specialty. Service in all 50 States. Guarantee of complete anonymity. We offer U.S. citizens with phone & fax service. office service U.S. & foreign. U.S. citizens can serve as directors, complex legal services & assistance, including OTC market entry & immigration. Please request our free brochure, available in English & German.

**Dr. Jur. William A. Wright
Attorney at Law
U.S. Corporation Services, Inc.
3050 Balmain Drive, Suite 100
Sacramento, California 95831
Fax (USA) 916/783-3005**

Is Hall of Fame Making Rock Musicians Too Respectable?

By Neil Strauss
New York Times Service

NEW YORK — The Rock and Roll Hall of Fame induction ceremony is at a strange junction in its history. After 10 years of honoring rock's pioneers and innovators with a night of improvised jams, confessional speeches and other surprises, it is turning into a ritual that one day may be as formal, as rigid and as respected as the Grammys.

The fact that in September a giant shrine of steel and glass called the Rock and Roll Hall of Fame and Museum is to open in Cleveland will add more prestige and convention to the ceremony, which is scheduled to move from New York to Cleveland in 1997.

While an annual event like this is a positive achievement for rock 'n' roll, it is important that the Hall of Fame's big night not lose the spontaneity and energy that defines the music it celebrates.

In ceremonies past, the speeches were

followed by jam sessions where anything could happen, and usually did.

This year, perhaps because highlights of the event were being taped for an MTV special, the performances seemed planned and contrived, with long, momentum-killing pauses between each segment.

The music, however, was spectacular enough to overshadow everything other than music awards ceremonies have offered recently. The highlight was when Robert Plant, Jimmy Page and John Paul Jones of Led Zeppelin, one of the groups inducted into the Hall of Fame, performed together for the first time in six years, joined by the fellow inductee Neil Young on guitar.

The impromptu group added raw power to the Led Zeppelin song "When the Levee Breaks," and it then segued into a version of the Buffalo Springfield's "For What It's Worth." (The Buffalo Springfield, a band Young used to perform in, was nominated for the Hall of Fame this year but did not make the final cut.)

Plant, Page and Jones were also joined by Steven Tyler and Joe Perry of Aerosmith and, on drums, Jason Bonham, the son of the Led Zeppelin drummer John Bonham, whose death in 1980 caused the group's breakup.

The sextet, five of them with long hair and wrinkles, performed a medley that included Johnny Burnette's "Train Kept a-Rollin'." Led Zeppelin's "Bring It On Home" and the Yardbirds' "For Your Love." (Page was a member of the Yardbirds, a group that was inducted into the Hall of Fame in 1992, though the song was recorded before he joined the band.)

They also performed a medley that included two blues songs by Muddy Waters, "Long Distance Call" and "Baby Please Don't Go." Interspersed throughout were plenty of guitar duels between Page and his protégé, Perry.

Other combinations included Young and Crazy Horse performing a song from the "Ragged Glory" album with Pearl Jam, Al Green singing "Funny How Time Slips Away" with Willie Nelson, and

Martha and the Vandellas belting out their signature song, "Dancing in the Street," with Kate Pierson and Fred Schneider of the B-52s.

THOUGH the speeches were more scripted, and littered with more than you'd expect, they still weren't as boring as those at the Grammys.

In his induction speech introducing Neil Young, Eddie Vedder of Pearl Jam thanked the "smart aleck" who put his band's table next to that of Ticketmaster, with which Pearl Jam has had a highly publicized battle over ticket prices.

With an apology to Lou Reed and Laurie Anderson, whose table was also next to Ticketmaster's, Vedder proved himself to be the true inheritor of rock's mantle of youthful insubordination by threatening to start a food fight.

During Led Zeppelin's acceptance speech, the band's former bassist and keyboardist, John Paul Jones, made a

snide comment about the fact that Page and Plant did not invite him to join their reunion last year or their tour this year.

"Thank you, my friends," he said, "for finally remembering my phone number."

In introducing Led Zeppelin before their induction, Aerosmith's Tyler recalled the time he saw the woman he was living with walk out of a Led Zeppelin concert arm in arm with an amorous Page.

Though rock musicians flock to this dinner every year, most pretend to have come reluctantly. In his induction speech, Plant said: "I never wanted to do this. I always thought we'd be rebels."

While the ceremony was imbued with a spirit of fun and rivalry, showcasing both the good humor and the pettiness of rock stars, Plant's comment reminded the audience that the Hall of Fame is still a big pill for rock 'n' roll to swallow.

Rock music is supposed to be loud, rebellious and impulsive, and the notion of honoring it with a big, lavish party of tuxedo-clad record company executives

seems antithetical to its original impulses.

On the other hand, rock 'n' roll has come a long way in the last half-century, evolving into one of the world's most popular and significant forms of music, so maybe it's time for it to accept adulthood.

As the Atlantic Records executive Ahmet Ertegun, one of the founders of the met Ertegun, said in his speech on Thursday, it is important to recognize the people who created rock 'n' roll as serious artists. But does serious recognition always have to take the form of a serious ceremony?

How about something more appropriate to each artist? Led Zeppelin could be inducted by taking a public bath with their groupies; Martha and the Vandellas could dance in the streets around Times Square, and the Allman Brothers could stand at the entrance to the Holland-Tunnel and play a long jam for commuters. That would be more in the spirit of rock 'n' roll, especially since it would result in so many arrests.

LONDON THEATER

An Anouilh Play Finally Makes It to London

By Sheridan Morley
International Herald Tribune

LONDON — Few dramatists, with the possible exception of Christopher Fry, fell more sharply out of West End favor at the end of the 1950s than Jean Anouilh. True, his "Becket" did well enough in the '60s, but that was an uncharacteristic historical pageant: the plays which established him over here, his most poetic and charismatic, were those ethereal "pieces roses" usually concerning some lower-class Cinderella invited up to the chateau for an impersonation, only to have her virginity challenged by the wealthy son of the house while his barking-mad aunt plays Cupid from a wheelchair.

Since its foundation 30 years ago, the National Theatre has shamefully pretended Anouilh never existed, and the RSC has never even bothered to give us his classic wartime "Antigone." It is therefore now left to a small fringe company virtually without a budget to bring us back "Léocadia" at the New End in Hampstead.

When this first crossed the Channel in 1954 (and the Atlantic two years later) it was known as "Time Remembered," and starred such Paul Scofield, Mary Ure and Margaret Rutherford for Broadway in productions of almost balletic opulence and splendor, from which it emerged as the natural successor to Anouilh's "Ring Round the Moon," another fey fable about the girl from the wrong side of the tracks falling in with the nobility and teaching them a thing or two about real life — the third in that set was "Dinner With the Family."

But now, given an anachronistic and sadly ungraceful new translation by Timberlake Wertenbaker, "Léocadia" seems deeply ill at ease, as if nobody involved in bringing it back has the money or the nostalgia to deal with a period piece of extreme if tricky lyrical beauty and social satire. This is the economy version, and it simply doesn't work.

At the King's Head in Islington, a theater that has always, and of architectural necessity, functioned best on the "small is beautiful" principle of stagecraft, another example of a minuscule musical which works rather better than the Broadway big-band version.

"The Secret Garden" has of course been around a bit. At least three movie versions, countless television dramatizations and a couple of years ago in New York a major musical, all telling of the little orphan of the Raj who ends up in the wuthering heights of a Yorkshire home where there's the exquisite stern housekeeper and something creepy in the attic.

A lyrical, charming little version of the old bestseller now comes from Diana Morgan and Steven Markwick, and in Dan Crawford's brisk staging his daughter Katey manages to be winning rather than winsome.

What is really encouraging about this "Secret Garden," taken together with the King's Head's last mini-musical, "Stairway to Heaven," is that it suggests British composers and lyricists are rediscovering a theatrical form that has been largely lost since the late 1950s.

Since then, the triumph of the epic British musicals of Andrew Lloyd Webber and his producer Cameron Mackintosh have



Felix Bell in "The Secret Garden."

falsely encouraged aspiring talents to believe they have to work to Palladium dimensions. What we did best in the era of Julian Slade and Sandy Wilson and Vivian Ellis, were very simple and unambitious shows which corresponded to the longest of all New York theatrical runs, that of "The Fantasticks." It seems that we are slowly working our way back to that kind of intimacy and charm and not a moment too soon.

At the Tricycle in Kilburn, the Fats Waller tribute "Ain't Misbehavin'" has been joyously returned to its cabaret roots. This is the songbook show which started off Broadway at the Manhattan Theatre Club in 1978, for an audience of 70 people a night. It was unwisely, but with huge commercial profit, blown up into a Broadway big-band wide-stage extravaganza, in which quite it first came rather less successfully to London in the mid-1980s.

A decade later the Tricycle's director Nicolas Kent has taken

it back to a low-budget, very intimate staging on a set by Bunny Christie which brilliantly re-creates the keyboard of a piano upon which an agile cast of five dance and sing such Waller classics as "Ain't Nobody's Business," "Black and Blue" and "The Joint Is Jumpin'."

For me, the constant surprise of Waller is the variety of styles in which he wrote and played: everything from Harlem jazz through spirituals to such mainstream Hollywood pops as "Two Sleepy People" and "I'm Gonna Sit Right Down and Write Myself a Letter."

Waller was also that comparative rarity a musical comic, and a jovial jokiness now best represented by Ray Shell, while Debbie Bishop takes care of the romantic end of the scale. Thirty Waller numbers here, all coming up as fresh as the day 60 years ago when most of them were written, and stunningly choreographed in a tiny arena by Gillian Gregory.

Americans in France: 2 Premieres

By David Stevens
International Herald Tribune

AS American artists who left deep traces, Leonard Bernstein and Martha Graham are hardly unknown in France. Even so, the French-language premiere of one of Bernstein's stage works and the entry of Graham into the repertoire of the Paris Opéra Ballet are treasurable signs of their posthumous creative resonance.

The vicissitudes of "Candide" from its beginning as a musical in 1956 to its full-scale recording more than 30 years later as an opera (the composer conducting it for the first time) would make a rich doctoral thesis if not a book. Key dates were 1973, when it achieved real popular success (740 performances against 73 for the original) in a miniature version (one act and only 13 musicians); 1982, when the New York City Opera produced an "opera house version," and 1986, when the Scottish Opera restored even more of the music.

Collaborators along the way included Lillian Hellman (suspected of using Voltaire to lambaste McCarthyism), John La Touche, Dorothy Parker, Richard Wilbur, Hugh Wheeler, Stephen Sondheim, the orchestrator Hershy Kay, the directors Tyrone Guthrie and Hal Prince, and John Mauceri, who conducted the dinky version of 1973, the opera of 1986, and others in between. In the end he probably knew it better than the composer.

Among the various problems were uncertainty on how to present it and how to take it. Was it serious or satirical? ("Satire," George S. Kaufman said, "is what closes Saturday night.") Should it be played for wit or belly laughs? Was it an American musical or some kind of European music theater? Dogged admirers were sustained at first by the indestructible popularity of the overture and the existence of an original-cast recording, something rarely accorded Broadway box office flops.

NOW boldly comes L'Esplanade, the enterprising opera house of Saint-Etienne, and Bernstein has Voltaire as a closer collaborator than ever. Jean-Louis Pichon, the theater's director, uses Voltaire's language for the spoken text, save for some topical allusions — references to a Polish pope and to corrupt politicians. Henri-Louis Matter translated the lyrics into French, effectively, on the strength of one hearing.

Robert Fortune's lively staging was an imaginative amalgam of Broadway-ish drive and Offenbachian zanyism, reinforced by the picture-book sets and costumes of Dominique Pichou and Rosalie Varda, and by Patrick Fournillier's sharply alert musical direction.



Constance Hauman and Jean-François Lapointe in "Candide."

Alternate casting of the two main roles brought Constance Hauman and Jean-François Lapointe as Candide and Cacambo at Sunday's performance. Hauman, an American who has sung her ferociously difficult role under the composer, brilliantly spanned its high coloratura and low comedy, while Lapointe, a Quebecer, brought an agreeable tenor and the right guileless manner to the title part. André Jobin's multiple tasks included impersonating Voltaire as narrator, as well as Pangloss and Dr. Martin, all with professional aplomb. Valérie Lecoq was the part Paquette, but Héliana Hézan's Old Lady, with little style and no voice, let the side down.

In Boston during the 1956 tryout, the Globe's not very favorable critic said that perhaps if it had been put on by some opera company "and sung in French or Italian it might be regarded as an art work in the near future." In any case this co-production with several French opera houses should give "Candide" a wide showing in France for a couple of seasons.

When Martha Graham gave the world premiere of "Temptations of the Moon" in New York in 1986, she was 92 years old

and celebrating the 60th anniversary of the first dance concert she gave on her own.

This work, for two soloists and a corps of 18 women and men, is more concerned with dance than plot, far removed from the Freudian dramas of Graham's earlier years. As such it is probably a happy choice for the Paris company, one of the few besides Graham's own company to be allowed to do a Graham work.

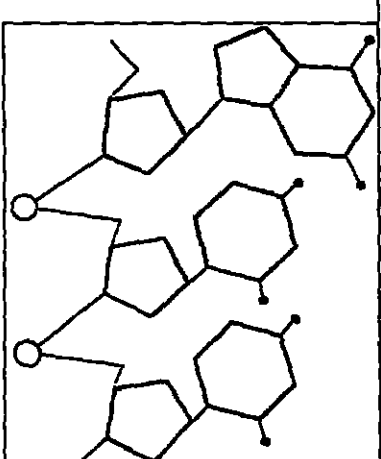
The title is taken from a chapter in Daniel Boorstin's book "The Discoverers," concerned with the pull of the moon on human behavior. Set to Bartók's exotic and strongly rhythmic Dance Suite, it is both organic and lyrical, a kind of pagan ritual in which the corps circles the central couple — a dominating goddess and her partner, or perhaps lover. Marie-Claude Pietragalla was luminous as Crescent Moon, looking much like a young Graham, while Patrick Dupond was diligent and bit ponderous as Velvet Night.

The all-20th-century program was filled out by Jiri Kylian's "Sinfonietta," Balanchine's "Agon" and Roland Petit's "Jeu de l'homme et la Mort."

In this Thursday's HEALTH/SCIENCE

DNA Race

Puzzles of scientific competition.



Herald Tribune

BEST SELLERS

The New York Times
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

Rank	Title	Author	Weeks on List
1	POLITICALLY CORRECT BEDTIME STORIES	James Finn Garner	1
2	THE CELESTINE PROPHESY	James Redfield	2
3	DEBT OF HONOR	Tom Clancy	3
4	INSOMNIA	Stephen King	4
5	THE BRIDGES OF MADISON COUNTY	Robert James Waller	5
6	THE LOTTERY WINNER	Mary Higgins Clark	6
7	DARK RIVERS OF THE HEART	Dean Koontz	7
8	TALOS	By Anne Rice	8
9	THE CHAMBER	John Grisham	9
10	THE GIFT	Danile Steel	10
11	MUTANT MESSIAH	Down Under	11
12	NOTHING LASTS FOREVER	by Sidney Sheldon	12
13	SELF-DEFENSE	by Jonathan Kellerman	13
14	A CUP OF CHRISTMAS TEA	by Tom Hegg	14
15	CROSSING THE THRESHOLD OF HOPE	by John Paul II	15
16	DON'T STAND TOO CLOSE TO A NAKED MAN	by Tim Allen	16
17	COUPLEBOOK	by Paul Baker	17
18	THE BOOK OF VIRTUES	by William J. Bennett	18
19	THE HOT ZONE	by Richard Preston	19
20	JAMES HERRIOT'S CAT STORIES	by James Herriot	20
21	THE WARREN BUFFETT WAY	by Robert G. Hagopian	21
22	THE BELL CURVE	by Richard J. Herrnstein and Charles Murray	22
23	BARBARA BUSH: A Memoir	by Barbara Bush	23
24	DOLLY	by Dolly Parton	24
25	MIDNIGHT IN THE GARDEN OF GOOD AND EVIL	by John Bernick	25
26	NO ORDINARY TIME	by Doris Kearns Goodwin	26
27	SISTERS	by Carol Saline	27
28	ALL THE TROUBLE IN THE WORLD	by P. J. O'Rourke	28
29	IT WASN'T ALWAYS EASY, BUT I SURE HAD FUN	by Louis Ginzburg	29
30	ADVICE, HOW-TO AND MISCELLANEOUS		30
31	IN THE KITCHEN WITH ROSIE	by Rosie Daley	31
32	MEN ARE FROM MARS, WOMEN ARE FROM VENUS	by John Gray	32
33	ILLUMINATA	by Marianne Williamson	33
34	MAGIC EYE III	N. E. Thing Enterprises	34

EAST, WEST: Stories

By Salman Rushdie. 211 pages. \$21. Pantheon.

Reviewed by Shashi Tharoor

IT is impossible to think of Salman Rushdie today without thinking of his awful predicament following the fatwa proclaimed against him for "The Satanic Verses." Yet the extent to which this controversy has dominated our perception of his work is itself an injustice. Rushdie may well be a crusader for secularist social subversion and/or a stirring symbol of the cause of freedom of expression in the face of intolerant dogma; but reducing him to this emblematic figure has obscured his true contribution as a major novelist of our time.

For Rushdie brought an astonishing new voice into the world of English-language fiction, a voice whose language and concerns stretched the

boundaries of the possible in English literature. His heritage was derived from the polyglot tumult of multiethnic, post-colonial India; his intellectual convictions owed as much to Nehruvian nationalism and the eclecticism of the Sufi mystics as to any source west of the Suez; his style combined a formal English education with the cadences of the Indian oral storytelling tradition, the riches of Latin American magic realism, and the extravagant fabulism of the Arabian Nights. Both in his life and in his writing, Rushdie stood for intermingling and interchange, displacement and transfiguration, migration and renewal. He recalled and reinvented his roots while thriving in his own deracinated world — a teeming, myth-infused, gaudy, exuberant, many-hued and restless world — past the immigration inspectors of English literature. And he enriched this new homeland with breathtaking, risk-ridden,

imaginative prose of rare beauty and originality.

"East, West," his first collection of short stories, offers a glimpse of the qualities that have made Rushdie so valuable. The nine stories are arranged in three sections: "East" (three stories set in the Indian subcontinent), "West" (three stories that feature no Indian characters) and finally "East, West," three stories that deal, to some degree, with Indians in Britain. The structure seems a contrivance, for there is no unifying "meeting of the twain" theme as the title might suggest. The stories are uneven in form, length, treatment, structure and language. But it is just as well that this collection, both in content and construction, reminds us that Rushdie is a writer of both the East and the West.

Some of the tales are slight, none more so than the first in this volume, in which a visa-seeking Pakistani bride, contemplating life with a stranger

in an unknown land, is delighted to be turned down by the consulate. Some are clever but insubstantial, like the parodic "Yorick," an elaborate Shakespeare-meets-Freud joke that, for all its brilliance and literary showmanship, never rises above the jocular. Some are compelling yet flawed, like "The Harmony of the Spheres," an intricately constructed story of a schizophrenic, married by a trick ending. But all of them are worth reading, because with Rushdie one is always in the presence of a true original.

Shashi Tharoor, author of "The Great Indian Novel," "Show Business" and "The Five Dollar Smile and Other Stories," writes this for The Washington Post.

For investment information
Read THE MONEY REPORT
every Saturday in the IHT

This prestigious two day conference will provide a comprehensive examination and discussion of world privatisation; its effects on markets and economies, together with a region by region analysis of international developments and the growing opportunities for investors.

WORLD PRIVATISATION CONFERENCE

THE INVESTMENT OPPORTUNITIES
6 - 7 MARCH 1995
THE FOUR SEASONS HOTEL, LONDON W1
ARRANGED BY
FELTHERS

For further details please contact:
Andrew Hodsman,
World Privatisation Conference,
Cadogan Financial, 14 Buckingham Street,
London WC2N 6DF, United Kingdom.
Tel: +44 171 925 1000
Fax: +44 171 930 7402

THE TRIB INDEX: 111.47

International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



World Index
117.95 close: 111.47
Previous: 111.99

Asia/Pacific
Approx. weighting: 32%
Close: 122.06 Prev: 122.94

Europe
Approx. weighting: 37%
Close: 115.23 Prev: 116.22

North America
Approx. weighting: 28%
Close: 96.90 Prev: 96.94

Latin America
Approx. weighting: 5%
Close: 103.13 Prev: 103.88

World Index
117.95 close: 111.47
Previous: 111.99

The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and other major financial centers. The index is composed of the 20 top issues in terms of market capitalization, otherwise the top 100 stocks are tracked.

Industrial Sectors

Sector	Close	Prev.	% Change
Energy	112.38	112.29	+0.08
Utilities	122.38	122.09	+0.24
Finance	110.73	111.85	-0.82
Services	108.21	108.49	-0.26

For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

© International Herald Tribune

Industry Heats Up In U.S.

Use of Capacity At 15-Year High

By Robert D. Hershey Jr.
New York Times Service

WASHINGTON — American industry operated at its fastest pace in 15 years last month as an unexpectedly strong burst of year-end activity pushed capacity utilization to 85.4 percent, the Federal Reserve reported Tuesday.

With output of U.S. factories, mines and utilities rising 1 percent, the biggest gain in two years, many analysts said the industrial sector now has such potential for reigniting inflation that the central bank could not avoid further increases in short-term interest rates.

Additional monetary tightening has been widely assumed ever since the preceding rate increase on Nov. 15, but some analysts had come to think that Mexico's economic crisis and a report on Friday of flat retail sales for the final two months of the year might cause the Fed to hold back.

Higher U.S. interest rates could make the already battered peso even less attractive relative to the dollar.

"We continue to expect a policy firming" at the Fed's next Open Market Committee meeting on Jan. 31, said Marilyn Schjerve, an economist at Donaldson, Lufkin & Jenrette Securities Corp. "The Fed will be increasingly concerned about the high levels of capacity utilization in the manufacturing sector and the low rate of unemployment in the labor market."

The Fed is known to pay particular attention to the utilization rate, which it calculates itself and which has now surpassed the 85 percent threshold.

See INDUSTRY, Page 10

Money Heads to Mexico

Successful Bond Sale Points to Confidence

By Lawrence Malkin
International Herald Tribune

NEW YORK — With Mexico's first successful sale Tuesday of government securities since the peso crisis broke last month, the country began to climb back toward regaining the confidence of financial markets, aided by the promise of a U.S. guarantee.

Foreign investors returned to the weekly auction of Tesobonos, offering to buy almost \$1 billion worth of Treasury peso bills carrying a dollar guarantee. The central bank initially offered \$300 million worth of Tesobonos and added another \$100 million because of the strong demand. A total of \$941 million was bid for the securities of three maturities, meaning about half the bids received were refused.

While Mexico still had to pay interest rates of 19.75 percent for 91-day bills, that was still only a quarter of a percentage point more than last week, when the government was stuck with 85 percent of its bills unsold. Six-month and one-year bills also were sold out Tuesday, at rates ranging from 16 percent to 26 percent.

The success of the auction temporarily buoyed the stock market, but the Bolsa index ended 1.6 percent lower. The peso also pulled back from an early slide; the dollar finished at 5.25 pesos, down from 5.44 pesos on Monday.

Market rates on peso bills, known as Cetes, also were about 5 percentage points lower than expected, but still at crisis levels of 43 percent.

The auction carried more psychological than financial significance, said Lars Schonander, Latin American economist for Baring Brothers. "It's silly for the Mexicans to pay this much when they will soon be able to issue cheaper paper," he said, referring to the dollar-denominated bonds that Mexico will float after the U.S. Congress approves a debt guarantee of up to \$40 billion.

U.S. and Mexican officials are working on details of this plan, including the fees Mexico will have to pay for the guarantees. If approved, Mr. Schonander said Mexico should be able to sell dollar bonds yielding only a percentage point or two above similar U.S. government securities, thus financing the rush out of Mexico by American mutual funds and other foreigners as their \$17 billion worth of Tesobonos come due this year.

[The U.S.-Mexican talks are focusing on the terms for the guarantee package and what collateral Mexico will offer, officials said, Bloomberg Business News reported.]

[House speaker Newt Gingrich, Republican of Georgia, said the House of Representatives would not take up the Mexican aid package this week.]

China Pledges to Repay Loans

Reuters

BEIJING — China will repay all foreign government loans on schedule to maintain its credit standing despite defaults by some recipients, an official told the Xinhua news agency on Tuesday.

The issue of China's ability to repay its foreign debt emerged during an internal speech by Prime Minister Li Peng to a year-end economic conference in November, when he cited repayment as one of the chief economic problems, diplomats said.

Mr. Li said that with loans from the 1980s reaching repayment peaks, China would be severely squeezed to repay in 1995, the diplomats said.

Problems of repayment had emerged among recipients who

mismanaged projects, were hit by the depreciation of China's currency in recent years or who just simply refused to pay, an official of the Ministry of Foreign Trade and Economic Cooperation told Xinhua.

But most of the more than 1,200 projects with foreign government backing have shown profits, and capital and interest would be paid in line with agreements, the official said.

Banks have been burdened with repayment responsibilities, but China has been introducing tighter guidelines to try to keep the problem under control, the official told Xinhua.

"The fact that China can repay the loans on schedule has an important bearing on China's reputation in the world and the Chinese government has

paid great attention to it," Xinhua quoted the official in charge of foreign government loans as saying.

From 1979 to 1994, a total of 22 countries provided China with government loans carrying 15- to 30-year terms, as well as extended time limits of seven to 10 years. Consequently, many loans issued in the early 1980s are now coming due, he said.

China's foreign debt reached \$100 billion at the end of 1994, with about 50 percent in dollars and 25 percent in yen. A Finance Ministry official warned last month that Beijing must improve financial risk management.

Chinese officials say the debt-service ratio is comfortably below the 20 percent of annual export earnings.

Chrysler Posts Record Results But Stock Slips

Compiled by Our Staff From Dispatches

DETROIT — Chrysler Corp. said Tuesday it earned more than \$3.7 billion in 1994, the best year in the company's 69-year history.

Despite the bottom line, Chrysler shares fell \$1.25, to \$51.625, in active trading on the New York Stock Exchange. Analysts said the drop was because of a higher-than-expected tax credit and investor concern over softening sales of subcompact cars.

The previous annual earnings record for the third-biggest U.S. automaker was \$2.4 billion, set in 1984.

Chrysler's fourth-quarter net income surged 51 percent to a record \$1.17 billion, or \$3.20 a share, from \$777 million, or \$2.11 a share, the previous year.

The latest results include a tax gain of \$132 million. Revenue in the quarter rose 19 percent to a record \$14.3 billion, from \$12 billion in 1993.

Revenue for the year rose 20 percent, to \$52.2 billion, from \$43.6 billion in 1993.

"Chrysler had an outstanding year in 1994 in just about every respect," said Robert Eaton, the chairman of the company.

Chrysler's record results were fueled by strong demand, especially for better-equipped models that carry a higher profit margin. Factory-to-dealer sales for the quarter rose 11 percent, to 724,946 units, and jumped 12 percent for the full year, to 2.7 million units.

Chrysler, by far the most profitable of Detroit's three automakers on a per-vehicle basis, made an average after-tax profit of \$1,350 on each vehicle sold in the fourth quarter, up from \$1,000 in the third quarter and \$1,100 a year ago.

Chrysler also said it fully

funded its pension program in December, for the first time since 1957. A year ago, Chrysler's pensions were underfunded by \$2.2 billion.

Chrysler Financial Corp. posted fourth-quarter earnings of \$54 million, down from \$56 million in the year-ago period. The company said the decline was due to higher interest rates, which squeezed margins.

(AP, Reuters, Bloomberg)

Intel Net Plunges on Chip Flaw

Bloomberg Business News

SANTA CLARA, California — Intel Corp. said Tuesday that fourth-quarter net income fell 37 percent because of a charge to cover the costs of replacing its flawed Pentium chips.

The pretax charge for replacing several hundred thousand flawed Pentium processors, Intel's newest computer chip, totaled \$475 million, or 70 cents a share. The charge includes costs of manufacturing new chips, contracting service personnel and the write-down of inventory of the flawed chips.

The company, which is the world's largest chipmaker, reported net income after the charge of \$372 million, or 86 cents a share, down from \$594 million, or \$1.35, in the year-ago period.

The company's shares fell \$1.125, to \$67, after it had risen as high as \$69.375 earlier in the session. The news of the

See INTEL, Page 10

MEDIA MARKETS

'News Up!' for TeleSurfers

By Andy Meisler
New York Times Service

HOPING to win the elusive loyalty of channel surfers and compulsive zappers while maintaining its position at the top of the local TV news ratings, a broadcast station in Minneapolis-St. Paul, Minnesota, is making a most unusual leap into the Interactive Age.

Starting this week, viewers of WCCO's 10 P.M. newscast will be able to customize the 35-minute program, bypassing segments that bore them and selecting alternatives.

While futurists and television theorists have been talking for years about "video on demand," and while several high-tech experimental systems are already demonstrating the service, this CBS affiliate's "News of Your Choice" is being introduced without benefit of fiber-optic cable, mainframe computers or microprocessor-packed television sets.

Instead, it depends on the willing cooperation of a competing station and on viewers' old-fashioned remote control devices. Indeed, perhaps the biggest surprise is just how low-tech and inexpensive this leap really is.

WCCO is offering these different newscasts — one on its own Channel 4 and one on Channel 23, using air time leased from a local rival, KLTG.

Near the top of the hour, viewers will be able to watch a segment containing world news plus a three-minute weather report on Channel 4, or a segment of the same length on Channel 23 containing local news and a 10-second weather forecast.

Viewers will then be able to choose between

a relatively lengthy local feature on Channel 4 and expanded local and national news coverage on Channel 23.

Sports lovers can select a full sports report on one channel, while sports haters can switch to a health segment on another.

The opening headlines and final wrap-up segments will be identical on both channels. So will most of the commercials. Anchors on both newscasts will promote upcoming segments on the other channel.

Whether this tacit endorsement of channel switching will add to WCCO's ratings or simply confuse viewers is a matter of much interest in the television community.

"It looks like we've beaten technology to the punch," said John Culliton, vice president and general manager of WCCO. The new program, Mr. Culliton said, addresses a persistent problem: Viewers devote a limited time each day to watching news but want the programs they do watch to be tailored to their taste and desires.

"By the very nature of the medium you can't satisfy everyone," Mr. Culliton said. "Do people want three minutes of weather? Most say 'yes,' but others don't. Some say they want national and international news, yet most gravitate to shows that don't have very much. We have a survey that says 50 percent of the audience wants sports. But that means half of the population doesn't."

The proliferation of remote control devices has worsened the problem. According to Mr. Culliton, about 90 percent of television households use remote control units, and four out of five viewers change channels an average of five times during a newscast.

Citicorp Doubles Its Dividend

Compiled by Our Staff From Dispatches

NEW YORK — Citicorp, flush with rising profits and \$26 billion in capital, announced Tuesday that it would double its quarterly dividend.

The largest U.S. bank, which began reversing its lagging fortunes in 1991, raised its quarterly shareholder payout to 30 cents a share from 15 cents.

Citicorp last week reported record yearly earnings for 1994 of \$3.4 billion.

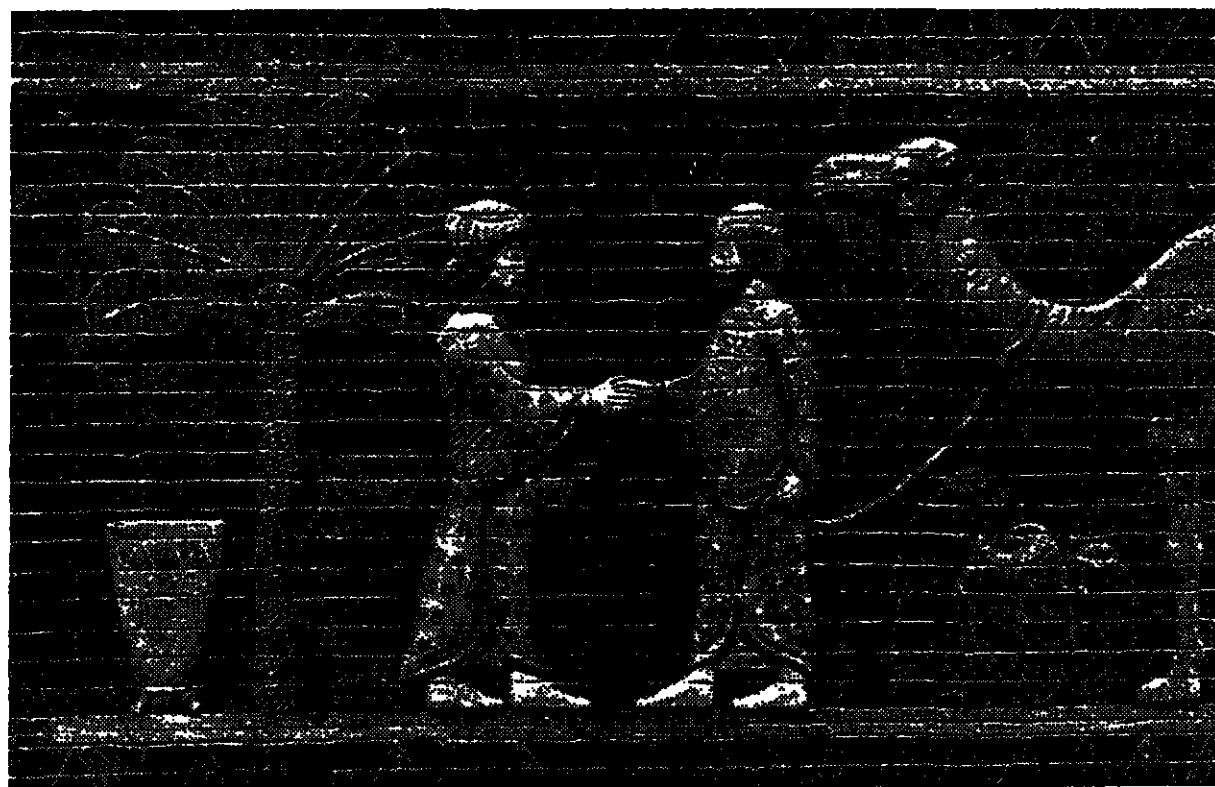
Other large New York banks Tuesday reported mixed results for the fourth quarter of 1994. Many felt pain from weak financial markets, but global consumer and payment processing businesses helped offset the effects.

Chase Manhattan Corp. and Chemical Banking Corp. said profits sagged in the fourth quarter because of weak trading revenues, problems with the Mexican peso and costs related to staff reductions.

Chase Manhattan's earnings fell 27 percent, while Chemical Banking's plunged 48 percent. Bank of New York Co. said earnings jumped 28 percent in the quarter largely because of higher interest income.

(Bloomberg, AP)

OUR PHILOSOPHY OF BANKING GOES BACK 4,000 YEARS.



It was the ancient traders who first established many of today's banking practices. They accepted funds for safekeeping. Bartered goods for services. And extended credit. It was a business based on trust, and a handshake contract was binding.

The world has changed immeasurably since then, but Republic National Bank

still holds to the principles established nearly four millennia ago.

We believe in the primacy of personal relationships, the importance of trust and the protection of depositors' funds. This emphasis has made us one of the world's leading private banks.

We're part of a global group with more than US\$5 billion in capital and more

than US\$50 billion in assets. These assets continue to grow substantially, a testament to the group's strong balance sheet, risk-averse orientation and century-old heritage.

Though cuneiform tablets have given way to modern computers, the timeless qualities of safety, service and personal integrity will always be at the heart of our bank.

Republic National Bank
A Safra Bank

NEW YORK • GENEVA • LONDON • BEIJING • BEIRUT • BEVERLY HILLS • BUENOS AIRES • CARACAS • CAYMAN ISLANDS • COPENHAGEN • DENVER • GIBRALTAR • GUERNSEY • HONG KONG • JAKARTA • LOS ANGELES • LUGANO • LUXEMBOURG • MANILA • MEXICO CITY • MIAMI • MILAN • MONTE CARLO • MONTEVIDEO • MONTREAL • MOSCOW • NASSAU • PARIS • PERTH • PUNTA DEL ESTE • RIO DE JANEIRO • ROME • SANTIAGO • SINGAPORE • SYDNEY • TAIPEI • TOKYO • TORONTO • ZURICH

Forward Rates
Currency 30-day 60-day 90-day
Pound Sterling 1.5658 1.5655 1.5652
Deutsche Mark 1.5204 1.5203 1.5202
Swiss Franc 1.2877 1.2874 1.2873
Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Press (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (ISDR). Other data from Bloomberg, Reuters and AP.

Currency 30-day 60-day 90-day
Canadian dollar 1.4227 1.4234 1.4275
Japanese yen 96.53 96.23 97.91
Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Press (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (ISDR). Other data from Bloomberg, Reuters and AP.

MARKET DIARY

Shaky Yen Helps Bolster the Dollar

Compiled by Our Staff From Despatches
NEW YORK — The dollar rose against the yen Tuesday amid concern about Japan's economy because of the earthquake that struck Kobe, one of its industrial cities, on Monday. The dollar also rose against other major currencies on reports that showed the U.S. economy was still growing fast enough to prompt the Federal Reserve Board to raise interest rates.

Foreign Exchange

ports that showed the U.S. economy was still growing fast enough to prompt the Federal Reserve Board to raise interest rates.

"People bought dollars for yen because they didn't know what was going on in Japan," said Karl Halfigan, vice president for strategic trading at CFC Bank New York.

But dollar gains were capped by speculation that Japanese insurers and other companies would have to sell their overseas investments, including U.S. Treasury bonds, to pay for the damages, which would bolster the yen against the dollar.

The dollar ended at \$9.108 yen, up from \$9.390 yen on Monday.

The dollar ended at 1.5328 Deutsche marks, up from 1.5313

DM from Monday; at 1.2865 Swiss francs, up from 1.2843 francs; and at 5.2998 French francs, up from 5.2925 francs.

The pound eased to \$1.5665 from \$1.5685.

Strong capacity use data fueled concern about higher U.S. rates. But many traders said they thought the Fed might refrain from raising rates, given Mexico's financial crisis and the slumping Canadian dollar.

"It feels like the dollar is getting into a no-win situation," said Charles Spence, director of currency sales at Standard Chartered Bank in New York.

In Europe, speculation that interest rates there could soon be heading higher was fueled by comments made by Georg Rich, the Swiss National Bank's chief economist.

Mr. Rich said that while long-term interest rates could fall in the near future, the central bank was ready to raise rates if economic recovery drove inflation higher.

Rising European rates make the return offered on the dollar less attractive and typically tend to drive it lower against European currencies.

(Bloomberg, Knight-Ridder)

INDUSTRY: Production Surges

Continued from Page 9

old often associated with accelerating price pressures.

Paul W. Boltz, a former Fed staff economist, called the new figures "a matter of serious concern" and said that it would be "worrisome" if the Fed did not act.

Other analysts, though not necessarily contending that rates need not be raised for a seventh time in a year, expressed reservations about the figures, particularly the operating rate.

"I have deep skepticism about the validity of them as predictors of inflation," said David H. Resler, chief economist at Nomura Securities International. He noted that the three most recent occasions in which utilization reached about 85 percent — in 1980, in the late 1980s and currently — have been times of widely varied inflation: about 12.5 percent, 4.5 percent and 2.5 percent, respectively.

Report Chills U.S. Shares

U.S. stocks, coming off a powerful two-day rally, closed mixed on Tuesday after a report showing brisk economic growth rekindled concern the Federal Reserve might raise interest rates later this month.

Bloomberg Business News reported. But traders said that fears about higher rates were partly offset by optimism of strong fourth-quarter corporate earnings.

The Dow Jones industrial index, which had gained 73.34 points in the past two trading sessions, slipped 1.68 points lower to 3,930.66, but gains outpaced losses by a ratio of 6 to 5.

The benchmark 30-year U.S. Treasury bill rose 9/32 point, to 7.77 percent from 7.79 percent, amid expectations for Fed action to rein in inflation. But yields on Treasury notes and bills with a maturity of three years or less, which are more sensitive to Fed rate increases, rose as much as 10 basis points.

Bankers were pulled lower by weaker-than-expected earnings from Chemical Banking, NationsBank and Chase Manhattan, reflecting the bite of higher rates.

The Dow

Daily closings of the Dow Jones industrial average

1994

1995

1996

1997

1998

1999

2000

2001

2002

2003

2004

2005

2006

2007

2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

2026

2027

2028

2029

2030

2031

2032

2033

2034

2035

2036

2037

2038

2039

2040

2041

2042

2043

2044

2045

2046

2047

2048

2049

2050

2051

2052

2053

2054

2055

2056

2057

2058

2059

2060

2061

2062

2063

2064

2065

2066

2067

2068

2069

2070

2071

2072

2073

2074

2075

Dow Jones Averages

Open High Low Last Chg.

Indus 3930.66 3930.66 3930.66 3930.66 -1.68

Trans 1549.01 1549.01 1549.01 1549.01 -0.22

Comp 1207.97 1207.97 1207.97 1207.97 -0.49

Tech 1549.01 1549.01 1549.01 1549.01 -0.22

Energy 1549.01 1549.01 1549.01 1549.01 -0.22

Health 1549.01 1549.01 1549.01 1549.01 -0.22

Telecom 1549.01 1549.01 1549.01 1549.01 -0.22

Finance 1549.01 1549.01 1549.01 1549.01 -0.22

Real Estate 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

Bonds 1549.01 1549.01 1549.01 1549.01 -0.22

Currencies 1549.01 1549.01 1549.01 1549.01 -0.22

Futures 1549.01 1549.01 1549.01 1549.01 -0.22

Options 1549.01 1549.01 1549.01 1549.01 -0.22

Derivatives 1549.01 1549.01 1549.01 1549.01 -0.22

Commodities 1549.01 1549.01 1549.01 1549.01 -0.22

EUROPEAN FUTURES

Open High Low Last Chg.

Aluminum 1549.01 1549.01 1549.01 1549.01 -0.22

Copper 1549.01 1549.01 1549.01 1549.01 -0.22

Gold 1549.01 1549.01 1549.01 1549.01 -0.22

Silver 1549.01 1549.01 1549.01 1549.01 -0.22

Platinum 1549.01 1549.01 1549.01 1549.01 -0.22

Palladium 1549.01 1549.01 1549.01 1549.01 -0.22

Nickel 1549.01 1549.01 1549.01 1549.01 -0.22

Zinc 1549.01 1549.01 1549.01 1549.01 -0.22

Lead 1549.01 1549.01 1549.01 1549.01 -0.22

Tin 1549.01 1549.01 1549.01 1549.01 -0.22

Cadmium 1549.01 1549.01 1549.01 1549.01 -0.22

Antimony 1549.01 1549.01 1549.01 1549.01 -0.22

Bismuth 1549.01 1549.01 1549.01 1549.01 -0.22

Manganese 1549.01 1549.01 1549.01 1549.01 -0.22

Vanadium 1549.01 1549.01 1549.01 1549.01 -0.22

Chromium 1549.01 1549.01 1549.01 1549.01 -0.22

Cobalt 1549.01 1549.01 1549.01 1549.01 -0.22

Molybdenum 1549.01 1549.01 1549.01 1549.01 -0.22

Selenium 1549.01 1549.01 1549.01 1549.01 -0.22

Tellurium 1549.01 1549.01 1549.01 1549.01 -0.22

Iridium 1549.01 1549.01 1549.01 1549.01 -0.22

Rhodium 1549.01 1549.01 1549.01 1549.01 -0.22

Ruthenium 1549.01 1549.01 1549.01 1549.01 -0.22

Palladium 1549.01 1549.01 1549.01 1549.01 -0.22

Silver 1549.01 1549.01 1549.01 1549.0

Tuesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect the trades elsewhere. Via The Associated Press

(Continued)

High	Low	Stock	Div	Yld	PE	52 Wk High	52 Wk Low	Volume
110.00	109.00	IBM	3.00	2.8%	15.0	110.00	109.00	1000000
100.00	99.00	Microsoft	0.00	0.0%	10.0	100.00	99.00	500000
90.00	89.00	Apple	0.00	0.0%	12.0	90.00	89.00	200000
80.00	79.00	Amazon	0.00	0.0%	15.0	80.00	79.00	150000
70.00	69.00	Google	0.00	0.0%	18.0	70.00	69.00	100000
60.00	59.00	Facebook	0.00	0.0%	20.0	60.00	59.00	80000
50.00	49.00	Twitter	0.00	0.0%	25.0	50.00	49.00	60000
40.00	39.00	LinkedIn	0.00	0.0%	30.0	40.00	39.00	40000
30.00	29.00	Slack	0.00	0.0%	35.0	30.00	29.00	30000
20.00	19.00	Zoom	0.00	0.0%	40.0	20.00	19.00	20000
10.00	9.00	Dropbox	0.00	0.0%	45.0	10.00	9.00	15000
5.00	4.50	Netflix	0.00	0.0%	50.0	5.00	4.50	10000
1.00	0.90	Spotify	0.00	0.0%	55.0	1.00	0.90	5000

二、三、四、五、六、七、八、九、十、十一、十二、十三、十四、十五、十六、十七、十八、十九、二十、二十一、二十二、二十三、二十四、二十五、二十六、二十七、二十八、二十九、三十、三十一、三十二、三十三、三十四、三十五、三十六、三十七、三十八、三十九、四十、四十一、四十二、四十三、四十四、四十五、四十六、四十七、四十八、四十九、五十、五十一、五十二、五十三、五十四、五十五、五十六、五十七、五十八、五十九、六十、六十一、六十二、六十三、六十四、六十五、六十六、六十七、六十八、六十九、七十、七十一、七十二、七十三、七十四、七十五、七十六、七十七、七十八、七十九、八十、八十一、八十二、八十三、八十四、八十五、八十六、八十七、八十八、八十九、九十、九十一、九十二、九十三、九十四、九十五、九十六、九十七、九十八、九十九、一百。

[illegible]

13 Month High Low Stock	Div	Yld	P/E	Sh 1955	High	Low	Latest Close
1955-1956							
1956-1957							
1957-1958							
1958-1959							
1959-1960							
1960-1961							
1961-1962							
1962-1963							
1963-1964							
1964-1965							
1965-1966							
1966-1967							
1967-1968							
1968-1969							
1969-1970							
1970-1971							
1971-1972							
1972-1973							
1973-1974							
1974-1975							
1975-1976							
1976-1977							
1977-1978							
1978-1979							
1979-1980							
1980-1981							
1981-1982							
1982-1983							
1983-1984							
1984-1985							
1985-1986							
1986-1987							
1987-1988							
1988-1989							
1989-1990							
1990-1991							
1991-1992							
1992-1993							
1993-1994							
1994-1995							
1995-1996							
1996-1997							
1997-1998							
1998-1999							
1999-2000							
2000-2001							
2001-2002							
2002-2003							
2003-2004							
2004-2005							
2005-2006							
2006-2007							
2007-2008							
2008-2009							
2009-2010							
2010-2011							
2011-2012							
2012-2013							
2013-2014							
2014-2015							
2015-2016							
2016-2017							
2017-2018							
2018-2019							
2019-2020							
2020-2021							
2021-2022							
2022-2023							
2023-2024							
2024-20							

一、本會之宗旨，在於研究我國經濟問題，以謀國家民族之福利。其範圍包括：(一)經濟學說之研究；(二)經濟政策之研究；(三)經濟制度之研究；(四)經濟事實之調查；(五)經濟建設之計劃；(六)經濟教育之推廣；(七)經濟合作之促進；(八)經濟救濟之實施。凡我會員，均應以此為圭臬，共同努力，以期達成建國之大業。

二、本會之組織，分為常務委員會及會員大會。常務委員會由會長一人，副會長二人，秘書長一人，及各專任委員若干人組成。會員大會則由各會員代表參加，行使選舉、修改章程等職權。

三、本會之經費，主要來自會員會費及社會捐助。所有收支款項，均須公開透明，接受會員監督。

四、本會之辦事處設於本市中山路一二三號，電話號碼為XXXXX。如有任何疑問或建議，請隨時與我們聯繫。

中華民國三十三年五月一日

[The page contains extremely faint, illegible vertical text.]

[illegible][illegible][illegible]

PRICE PI
BUT NOT

A year's subscription
gets you up to 50%
Equally exciting

The world's
news-gathering network
But only if

To start your subs
In Europe - Paris ()
In Asia - Hong Kong ()
Or refer to the subscription ()

Herald INTERNATIONAL
THE NEW YORK

[illegible][illegible]

THE

FOR LONG

to the Herald Tribune
off the cover price.
short-term offers.

most powerful
making a deal with you.
you act now.

scription just fax us:
(333-1) 46 37 06 51
(+852) 29 22 11 99

advertisement in this edition.

INAL
Tribune.
ES AND THE WASHINGTON POST

1. The first part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

2. The second part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

3. The third part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

4. The fourth part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

5. The fifth part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

6. The sixth part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

7. The seventh part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

8. The eighth part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

9. The ninth part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

10. The tenth part of the document is a list of names and addresses, which appears to be a directory or a list of subscribers. The names are written in a cursive script, and the addresses are listed below them. The list is organized into columns, with names in the first column and addresses in the second column.

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

Herald INTERNATIONAL **Tribune**

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

U.S. Firms Win India Contracts

Compiled by Our Staff From Dispatches
NEW DELHI — Commerce Secretary Ronald H. Brown of the United States announced 10 more deals for American companies on Tuesday, bringing the total amount reaped during a ground-breaking trade mission to India to \$4 billion.
Mr. Brown said another \$12 billion worth of agreements was being chased by U.S. companies. "We feel this is just scratching the surface, the tip of the iceberg," he said.
The \$2.6 billion in power, telecommunications, petrochemicals and health-care pacts followed \$1.4 billion worth of deals that were signed on Monday.
After meeting with Prime Minister P.V. Narasimha Rao of India, Mr. Brown said, "I think there is a sea change in the commercial relationship between our two countries."

The current deals included a \$1.1 billion offshore oil and gas production contract for Enron Corp. and a joint venture between Hughes Network Systems Inc. and Nippon Denro Ispat for telecommunications. AES Transpower received a financial guarantee clearing the way for a \$633 million power plant in eastern India.

Mr. Brown also said that Mr. Rao "made an absolute, unequivocal commitment to the continuation of the economic reform process."
The United States has been India's top trading partner since the reforms in 1991 by cutting tariffs, simplifying regulations and allowing more foreign investment.

Mr. Brown, leading the largest ever U.S. trade and investment mission, said Mr. Rao responded positively to a suggestion that India open up its financial services and insurance industries to outside companies.

(Reuters, AP, AFP)

Piracy Key to China Trade Talks

Compiled by Our Staff From Dispatches

BEIJING — On the eve of renewed trade talks with the United States, China on Tuesday staunchly defended its protection of copyrights, patents and trademarks.

Over the past 18 months, the two countries have been embroiled in a dispute over China's alleged piracy of U.S. movies, computer software and music. The United States threatened on New Year's Eve to impose trade sanctions on up to \$2.8 billion worth of Chinese goods starting Feb. 4 to make up for U.S. losses on such products. Discussions broke off in acrimony last month, leading the two sides to the brink of a trade war.

On Monday, a U.S. trade official said the two sides had narrowed their differences but added that the United States was not prepared to give up its demand that China must act against major pirates of American products.

Chinese state-run media were filled Tuesday with reports of China's accomplishments in protecting intellectual property to rebut the U.S. accusations. The president of China, Jiang Zemin, called for efforts by both governments to create a better environment for the growth of economic and trade relations, the official Xinhua news agency said.

Good relations would benefit people in both countries and would "contribute

greatly to the world economy," Mr. Jiang said in a meeting with John Gibbons, President Bill Clinton's science adviser, who was in Beijing for talks on scientific cooperation. Mr. Jiang added that relations were "at a crucial juncture."

China's Foreign Ministry said last week that it would not make any concessions in the negotiations. "The United States cannot simply order China to do

China Woos WTO

Reuters

BEIJING — China said Tuesday that a one-year cut in tariffs on 246 classes of imports was part of its drive to join the new World Trade Organization.
On Monday, the General Customs Administration announced a lowering of tariffs by unspecified amounts on agricultural chemicals, steel varieties and a range of other commodities. The cuts apply retroactively to Jan. 1 and will expire at the end of 1995.

The official China Daily said Tuesday that the temporary tariff reductions were ordered to improve Beijing's bid to join the World Trade Organization, which replaced the General Agreement on Tariffs and Trade on Jan. 1.

China's bid to join GATT in December was unsuccessful.

so-and-so," said Guo Shoukang, a professor of law at People's University, according to a China Daily commentary.

The commentary quoted foreign patent specialists praising China's patent law and pointed out that, which many countries do not, stronger protection for the pharmaceutical industry was one concession that the United States won from China several years ago.

The United States has called for 26 compact disk factories in southern China to be closed and for more power for Chinese police and customs officials to stamp out piracy.

"The best we can hope for right now is for the Chinese government to try to curb the piracy, not stop it," said a spokesman for a major U.S. software company. He said that once China established standards for its computer software, the government would have to better regulate piracy.

Meanwhile, American executives in China and Hong Kong who are keeping a close eye on the dispute said they did not expect any breakthroughs from the talks set to resume Wednesday. William Overholt, managing director of Bankers Trust in Hong Kong, said: "Usually these things go to the eleventh hour and I don't expect this to be any different."

(AP, Bloomberg)

NEC Tries Its Hand At Discounts

Bloomberg Business News

TOKYO — In a break with its policy against discounting, NEC Corp., Japan's largest personal computer maker, said Tuesday it would slash the price of its latest personal computer model in half.

Analysts saw NEC's announcement as a belated admission that Compaq Computer Corp., the world's top personal computer maker, had a better idea when it introduced discount-priced machines in 1992. At the time NEC scoffed at the cheaper American machines and said Japanese consumers would remain loyal because they preferred Japanese products.

The price cut will affect the latest model in NEC's PC-98 series of personal computers. NEC said it had set price at \$8,000 yen (\$990), the same as the comparable Compaq model.

NEC has held 52 percent of the 700 billion yen Japanese market for personal computers for the past three years. But lately, the company has worried that it has not been able to expand its share.

Foreign companies, meanwhile, grabbed 24 percent of the Japanese market by 1993, according to Dataquest Inc., the market research firm.

An NEC spokesman said the company hoped lower prices would increase market share.

NEC also introduced several other personal computer models Tuesday, at prices up to 60 percent cheaper than those of current machines.

Katsuhiko Tomita, head of NEC's personal computer marketing division, said the company would keep prices down by cutting the number of parts in each machine and by making the computers in Hong Kong and Taiwan.

NEC introduced the PC-98 series nearly 10 years ago.

Taiwan Group to Make Computers in Shanghai

Compiled by Our Staff From Dispatches

TAIPEI — President Enterprise Corp., one of Taiwan's biggest investors in China, announced plans Tuesday to establish a beachhead in the potentially huge Chinese computer market.

The diversified food processing and manufacturing company said it planned to invest between 100 million and 200 million Taiwan dollars (\$3.8 million to \$7.6 million) to manufacture personal computers in Shanghai.

The investment would be made through President Technology Inc., a company subsidiary, a spokesman said.

"We're still negotiating with mainland China on property issues, but production in the Shanghai plant should be able to start in September," the spokesman said.

President Technology's move into China comes as the company is negotiating to buy the remainder of Wang Laboratories' stake in WICL Inc., a Taiwan-based computer reseller and maintenance company.

WICL, which is 51 percent-owned by President Technology, was until 1992 a subsidiary of Wang, the Lowell, Massachusetts-based computer maker that emerged from bankruptcy protection in September 1993.

The President group is one of Taiwan's biggest investors in mainland China. President Enterprise has invested 80 million dollars in China's food business, and Taiwan's Investment Commission has approved more than 4 billion dollars in investment projects in China by the group, according to Hsu Ping-yuan, a company vice president.

President Technology currently makes 50,000 computer monitors per month in Taiwan, mostly for export. The company also rents production lines in southern China.

(Reuters, Bloomberg)

Microsoft Loses Trademark Suit

Microsoft Corp. has lost a trademark suit in Taiwan to protect its best-selling Windows software program, Agence France-Presse reported.

An administrative court, rejecting Microsoft's appeal of a 1992 decision by Taiwan's Central Bureau of Standards, said the word "window" had become a generic term in the computer industry over the past decade, according to court officials.

Westpac Sees Rising Profit

Bloomberg Business News

SYDNEY — The chairman of Westpac Banking Corp., John Uhrig, told shareholders Tuesday that he expected profit to rise this year.

Robert Joss, the bank's managing director, said the bank was aiming for a profit of about 1 billion Australian dollars (\$760 million), although he did not indicate when Westpac was likely to reach that goal.

He said the robust Australian economy would lift profit but warned that the pace of growth might be slow after gross domestic product grew as much as 6.4 percent in the year ended Sept. 30. Profit surged in that year to 704.7 million dollars from 39.2 million dollars a year earlier.

Mr. Joss also said that Westpac was interested in acquiring Bank of South Australia, which is being sold by the state government of South Australia.

Ford, Mazda Explore Use of Idle Plant Capacity

Compiled by Our Staff From Dispatches

TOKYO — Mazda Motor Corp. and Ford Motor Co. are studying the possibility of jointly using Mazda's spare auto assembly capacity in Japan.

Henry Wallace, a Ford executive currently serving as Mazda's executive vice president, said Tuesday that the two companies were exploring various possibilities but that progress toward such an enterprise would prob-

ably be slow. Ford has a 25 percent stake in Mazda.

The proposed plan would give Ford additional auto production capacity in Asia while making use of Mazda's idle capacity resulting from the sluggish auto demand in Japan.

Mazda took an optimistic view of its prospects on Tuesday, saying that its 1995 domestic vehicle sales should rise 6.6 percent, to 420,000 units. In

1994, sales fell 3.4 percent, to 394,000 units.

"Japanese domestic demand will rise about 4.5 percent in 1995 from 1994," said Yoshihiro Wada, Mazda's president.

Mr. Wallace said Mazda would not be involved in Ford's plan to start a car assembly project in China, where Ford is competing with General Motors Corp. for a stronger foothold.

Meanwhile, another major Japanese auto maker, Honda Motor Co., said Tuesday it would transfer 1,300 white-collar employees and factory

workers from around Japan to sales positions at dealerships.

The move is part of a plan unveiled last week by Honda's president, Nobuhiko Kawamoto, to increase sales by about 46 percent over a three-year period.

(AP, AFX, Bloomberg)

INTEGRA CAPITAL CORPORATION (ICC)
U.S. \$ 5.00 - \$ 5.50
For information only

1994 PRELIMINARY CONSOLIDATED SALES			
	1994 (FF millions)	1994/1993 (%)	With constant parties (%)
France	3,045	+ 2	-
Germany	1,230	- 2	- 1
Other European countries	2,510	+ 1	+ 3
NAFTA (Canada-USA-Mexico)	1,255	+ 16	+ 22
Other countries	660	+ 9	+ 9
Total	8,700	+ 37	+ 5

IIF
To the Holders of
International Income Fund
Long Term Units - Deutschemark Portfolio
EBC Fund Managers (Jersey) Limited as Manager of the above mentioned Fund has declared the following dividend per Unit for the financial period ended 31st December, 1994, payable on the 31st January, 1995, in respect of Units in issue on 31st December, 1994.
Long Term Units - Deutschemark Portfolio
DM 6.00 per Unit - payable against Coupon No. 1
Unit holders should send their Coupons to the Manager at EBC House, 1-3 Seale Street, St. Helier, Jersey, J4 8XL, Channel Islands or to one of the following Paying Agents:
Bankers Trust Company, 280 Park Avenue, New York, N.Y. 10017, U.S.A.
Banque Générale du Luxembourg S.A., 14 Rue Aldringen, Luxembourg.
Arrangements have been made whereby holders of all Long Term Units - DM Portfolio in issue at 31st January, 1995 may reinvest the dividend paid at that date in additional units at a purchase price equal to the Basic Net Asset Value per Unit at 31st January, 1995 (as an indication, the Basic Net Asset Value per Unit was DM 96.86 on 11th January, 1995). This right will be terminated at the close of business on 28th February, 1995. Long Term Unit holders who desire to reinvest their dividend should advise the Manager accordingly when presenting their Coupons for payment.
EBC Fund Managers (Jersey) Limited
Manager
Dated 18th January, 1995

IIF
To the Holders of
International Income Fund
Long Term Units - US\$ Portfolio
EBC Fund Managers (Jersey) Limited as Manager of the above mentioned Fund has declared the following dividend per Unit for the financial period ended 31st December, 1994, payable on the 31st January, 1995, in respect of Units in issue on 31st December, 1994.
Long Term Units - US\$ Portfolio
US\$2.00 per Unit - payable against Coupon No. 34.
Unit holders should send their Coupons to either the Manager at EBC House, 1-3 Seale Street, St. Helier, Jersey, J4 8XL, Channel Islands or to one of the following Paying Agents:
Bankers Trust Company, 280 Park Avenue, New York, N.Y. 10017, U.S.A.
Banque Générale du Luxembourg S.A., 14 Rue Aldringen, Luxembourg.
Arrangements have been made whereby holders of all Long Term Units - US\$ Portfolio in issue at 31st January, 1995 may reinvest the dividend paid at that date in additional units at a purchase price equal to the Basic Net Asset Value per Unit at 31st January, 1995 (as an indication, the Basic Net Asset Value per Unit was US\$28.51 on 11th January, 1995). This right will be terminated at the close of business on 28th February, 1995. Long Term Unit holders who desire to reinvest their dividend should advise the Manager or Paying Agent accordingly when presenting their Coupons for payment.
EBC Fund Managers (Jersey) Limited
Manager
Dated 18th January, 1995

SABEX
FUTURES LIMITED
SFA & IPE MEMBER
* 24 Hour margin based foreign exchange dealing
* Fast competitive rates with a personalised service
* Catering only to professional investors. Fund managers and institutions, for their speculative & hedging needs
* Up to date market information and technical analysis
* Full futures brokerage in all major markets
33 Cavendish Square London W1
Reuters Dealing: SABX. Reuters Monitor: SABVZ (+ Daily fax)
Tel: (071) 412 0001 Fax: (071) 412 0003
Please call for further information.

FIRST EUROPEAN INVESTMENT CORPORATION LTD.
GLOBAL MARKET COVERAGE
FUTURES & OPTIONS BROKERS
COMPETITIVE RATES
COMPREHENSIVE SERVICE
101 Queen Victoria Street London EC4V 4ES
Tel: (44) 171 411 0000 Fax: (44) 171 411 0001
Member of IFIA

Capital Flow Asset Management
\$32,817.04
NET REALIZED PROFITS
PER \$100,000 UNDER MANAGEMENT
JUNE 27, 1994 THROUGH OCTOBER 31, 1994
800-967-4879
312-207-0117
All Futures & Options
Rollover - Fees

Keystone
120 S. Riverside Plaza
Chicago, Illinois 60606
Member NFA
Everyday Offer To Professional Traders
800-967-4879
312-207-0117
\$23
All Futures & Options
Rollover - Fees

CURRENCY AND CAPITAL MARKET SERVICES
SABEX
FUTURES LIMITED
SFA & IPE MEMBER
* 24 Hour margin based foreign exchange dealing
* Fast competitive rates with a personalised service
* Catering only to professional investors. Fund managers and institutions, for their speculative & hedging needs
* Up to date market information and technical analysis
* Full futures brokerage in all major markets
33 Cavendish Square London W1
Reuters Dealing: SABX. Reuters Monitor: SABVZ (+ Daily fax)
Tel: (071) 412 0001 Fax: (071) 412 0003
Please call for further information.

Signal Realtime! USA
Stock & Futures Quotes that CONNECT to 100+ applications
Now in Europe @ 65,000 QUOTES from just \$3 day!
Call NOW for YOUR free Signal Investment Software Guide & price list
Call London 44 + (0) 171 331 3556

CAPITAL FUND MANAGEMENT
BANK GUARANTEED CAPITAL AND INTEREST
36% PER ANNUM + FIXED
UP TO 3% PER MONTH GUARANTEED TAX FREE
PER US\$ 10 MILLION DEPOSITED FOR INVESTMENT FOR ONE YEAR
FOR FURTHER DETAILS FAX: FRANCE (33) 93.87.01.64

For further details
on how to place your listing contact:
WILL NICHOLSON in London
Tel: (44) 71 836 38 02
Fax: (44) 71 340 2253
Herald Tribune

THE EASIEST WAY TO GET BACK HOME WITHOUT RUBY SLIPPERS.
Sprint
To call, just dial the Access Number for the country you're visiting, and you'll reach an English-speaking Sprint Operator - at no extra charge. It's that easy.
COUNTRIES ACCESS NUMBERS COUNTRIES ACCESS NUMBERS COUNTRIES ACCESS NUMBERS COUNTRIES ACCESS NUMBERS
American Samoa 822-1000 Cyprus 00-900-01 Ireland 177-100-0001
Antigua (landline phone) 90 0043-087-187 Israel 177-100-0002
Antigua (pay phone) 1-800-366-4643 Jamaica 177-100-0003
Argentina 00-1-800-877-7777 Japan 177-100-0004
Armenia 8-10-153 Japan (DC) 177-100-0005
Australia (Dialup) 1-800-551-110 Egypt (Cairo) 177-100-0006
Australia (Mobile) 1-800-887-877 Egypt (Tel Aviv) 177-100-0007
Austria 022-903-096 St. Salvador 177-100-0008
Bahamas 1-800-389-2111 Fiji Islands 177-100-0009
Bahrain 800-777 Finland 177-100-0010
Bangladesh 1-800-877-8000 France 177-100-0011
Belgium 0800-10004 Germany 177-100-0012
Bermuda 1-800-623-0877 Greece 177-100-0013
Bolivia 800-3332 Guam 177-100-0014
Brazil 800-8086 Honduras 177-100-0015
British Virgin Islands 1-800-877-8000 Hungary 177-100-0016
Bulgaria 00-800-1010 Hong Kong 177-100-0017
Canada 1-800-877-8000 India 177-100-0018
Chile 00-0017 Indonesia 177-100-0019
China 108-13 Ireland 177-100-0020
Colombia 080-190-010 Italy 177-100-0021
Costa Rica 163 Jamaica 177-100-0022
Croatia 993-800-333 Kazakhstan 177-100-0023
Cuba 177-100-0024 Kyrgyzstan 177-100-0024
Cyprus 00-900-01 Latvia 177-100-0025
Czech Republic 177-100-0026 Lithuania 177-100-0026
Denmark 177-100-0027 Luxembourg 177-100-0027
Dominican Republic 177-100-0028 Macao 177-100-0028
Ecuador 177-100-0029 Malaysia 177-100-0029
Egypt (Cairo) 177-100-0030 Mexico 177-100-0030
Egypt (Tel Aviv) 177-100-0031 Monaco 177-100-0031
El Salvador 177-100-0032 Netherlands 177-100-0032
Finland 177-100-0033 New Zealand 177-100-0033
France 177-100-0034 New Zealand (Toll-free) 177-100-0034
Germany 177-100-0035 Norway 177-100-0035
Greece 177-100-0036 Panama 177-100-0036
Guam 177-100-0037 Paraguay 177-100-0037
Honduras 177-100-0038 Peru 177-100-0038
Hungary 177-100-0039 Philippines 177-100-0039
India 177-100-0040 Poland 177-100-0040
Indonesia 177-100-0041 Portugal 177-100-0041
Ireland 177-100-0042 Romania 177-100-0042
Italy 177-100-0043 Russia 177-100-0043
Jamaica 177-100-0044 Slovakia 177-100-0044
Kazakhstan 177-100-0045 South Africa 177-100-0045
Kyrgyzstan 177-100-0046 Spain 177-100-0046
Latvia 177-100-0047 Sweden 177-100-0047
Lithuania 177-100-0048 Switzerland 177-100-0048
Luxembourg 177-100-0049 Taiwan 177-100-0049
Macao 177-100-0050 Thailand 177-100-0050
Malaysia 177-100-0051 Turkey 177-100-0051
Mexico 177-100-0052 Ukraine 177-100-0052
Monaco 177-100-0053 United Arab Emirates 177-100-0053
Netherlands 177-100-0054 United Kingdom (BT) 177-100-0054
New Zealand 177-100-0055 United Kingdom (Mobile) 177-100-0055
New Zealand (Toll-free) 177-100-0056 Vietnam 177-100-0056
Norway 177-100-0057 Venezuela 177-100-0057
Panama 177-100-0058
Paraguay 177-100-0059
Peru 177-100-0060
Philippines 177-100-0061
Poland 177-100-0062
Portugal 177-100-0063
Romania 177-100-0064
Russia 177-100-0065
Slovakia 177-100-0066
South Africa 177-100-0067
Spain 177-100-0068
Sweden 177-100-0069
Switzerland 177-100-0070
Taiwan 177-100-0071
Thailand 177-100-0072
Turkey 177-100-0073
Ukraine 177-100-0074
United Arab Emirates 177-100-0075
United Kingdom (BT) 177-100-0076
United Kingdom (Mobile) 177-100-0077
Vietnam 177-100-0078
Venezuela 177-100-0079

ADVERTISEMENT

Quotations supplied by funds listed, and transmitted by MICROPOL PARIS (Tel. 33-1 40 28 09 08)

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (B) - bi-monthly; (f) fortnightly (every two weeks); (r) - regular; (t) - twice weekly; (m) - monthly.

Jan. 17, 1995

[illegible]

AS - Australian Dollars; A\$ - Ausländische Schillinge; BF - Belgian Francs; CS - Canadian Dollars; DM - Deutsche Marks; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; Dfl - Swiss Francs; V - Yen; y - yen; s - schilling; o - other; P - Pounds Sterling; N.A. - Not Available; N.C. - Not Communicated; n - New; b - suspended; S\$ - Stock Exchange; m - price per share; min. change - minimum change; F - First exchange; A - American exchange; Net Communications; o - New; b - suspended; S\$ - Stock Exchange; m - price per share; min. change - minimum change; F - First exchange; A - American exchange; E - estimated price; y: price calculated 2 days prior to publication; z: bid price; misquoted earlier; x: not registered with regulatory authority; P - made up bid and offered price.

Chargers Are Finally Riding the Right Bus

He had told management to get some better players. He had told the players already on the team to play better. Even after the Chargers rallied to

More mature players man key spots. Humphries still makes some bad decisions but makes a

But, they say, disbelievers should look at the overall re-

Reuben Davis, formerly of the Arizona Cardinals, on the defensive line, clogging up the

Miller helped in signing some of the free agents who have played

Natrone Means is one reason the Chargers are bullish.

COLLEGE HIGHLIGHTS

"It's been verbally agreed on," the Explorers' scouting director, Andrew Wheeler, said Monday night. "Oil Can

"While we have a great deal of sympathy for the position in which they find

are technically union members because they pay the \$20 membership fee for each day of the season, which entitles them to the same payments from the licensing program the players get. (AP, NYT)

● **Bob Hope on cheating in golf:** "Isn't it fun to go out on the course and lie in the sun?"

Rams, was held in St. Louis by Missouri's National Guard and famous thanking her for bringing pro football back to the city. Officials were exchanging signed documents Wednesday ending four months of negotiations on moving that team.

MONDAY'S RESULTS

New Jersey	22	19	22	27—	90	
New York	31	31	22	23—	107	D.D.
N.J.: Coleman 5-18 11-12 22, Anderson 3-8 10-13						
16: NY: Ewing 13-22 6-9 32, Davis 5-10 4-6 17						
Baltimore: Mary Evans 55-64 Coleman 121, Mary						

Panel 1: Three men in patterned shorts stand on a pile of gravel. The man on the right is speaking.

Panel 2: A man on a bench talks to a dog. The dog is speaking.

Panel 3: A man on a bench talks to a dog. The dog is speaking.

Panel 4: A man in a uniform stands on a pile of gravel. The man is speaking.

Watch ... Thag says he make gravel angel."

To our readers in France
It's never been easier to subscribe
and save with our new toll free
service.
Just call us today at 05-437-437

DOONESBURY

ANNUITY, BY LETTING THE OLDER KIDS WORK OFF THEIR REBS I BELIEVE I CAN CLEAR \$17,000 AN OGFAN—AFTER TAXES!

AND WHERE EXACTLY DO I FIT INTO THIS PLAN, SON?

WELL, INITIAL- LY, I BELIEVE YOU'D BE DEN NOTHER...

...BUT THEN I BEL SHAVE'S ASIAN! HER NUMBERS! INSUL! LET HER G BOOKS!

"I beg your pardon?"

"I'd do it, but my math stinks. I always get caught."

"Watch ... They says he made it."

gravel angel."

To our readers in France
it's never been easier to subscribe
and save with our new toll free
service.
Just call us today at 05-437-437

